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Zhulali FYROM Visit Gives Rise to Suspicion

95P20113A

[FBIS Media Note] The 27 September 1994 issue of RILINDJA DEMOKRATIKE, the newspaper of the ruling Democratic Party of Albania, has reported that after a meeting with Kiro Gligorov, president of The Former Yugoslav Republic of Macedonia, FYROM, in Skopje, Albanian Minister of Defense Safet Zhulali told newsmen that an agreement on cooperation in the area of defense would soon be signed between Albania and the FYROM. According to the paper, Zhulali expressed hope that the current problems with Greece would be surmounted "with the intervention of the European Union and the United States" and stressed that Kosovo is the most important problem in the Balkans. "Without resolution of the problem of Kosovo there can be no peace and stability in the Balkans," he said.

In its 27 September issue, the Skopje Albanian-language daily FLAKA E VELLAZERIMIT provided a more extensive report on Zhulali's official visit to the FYROM. In addition to Gligorov, he met with Minister of Defense Vlado Popovski and Prime Minister Branko Crvenkovski. FYROM Deputy Defense Minister Nazmi Maliqi, an ethnic Albanian, was present at the meetings. The newspaper reported that Zhulali had a private meeting with the chairman of the assembly of the commune of Debar on 25 September and that he would be visiting Tetovo on 27 September.

The visit to Tetovo and to the FYROM in general, was reported prominently in the 28 September issue of FLAKA E VELLAZERIMIT and the 2 October issue of ZERI I POPULLIT, the paper of the Socialist Party of Albania. Zhulali's press statement in ZERI I POPULLIT said that he, President Gligorov and Prime Minister Crvenkovski had discussed, among other things, "the problems of Albanians in Macedonia" and had agreed that although "steps had been taken" to advance Albanian rights "much more had to be done." Zhulali said that he "made some suggestions" regarding the "documentation of citizenship" as well as "free transit of borders and the opening of a teachers' college" for the Albanian minority and had been "assured" by Gligorov that further progress would be made in those areas. Zhulali positively appraised the meeting, saying that the two leaders had "reached an understanding" that would "help to deepen the friendship and the progress of relations in all fields" and would "contribute to maintaining peace and stability."

After the news conference, according to the paper, Zhulali had "a short private meeting" with the leaders of a faction of the Party of Democratic Prosperity (PDP), Arben Xhaferi and Menduh Thaci. ZERI I POPULLIT reported that "ethnic Albanians, members of the legitimate Party of Democratic Prosperity and intellectuals," among others, questioned the purpose of Zhulali's meeting with Xhaferi and Thaci and his visit to the FYROM, in general, asking: "What does the Albanian Minister of Defense want 20 days before the [FYROM] parliamentary elections? Why did he come to Macedonia?" The Socialist Party paper also quoted from a 27 September NOVA MAKEDONIJA article, which expressed "surprise" that the Albanian Minister would begin an official visit by meeting Debar Commune officials of the PDP, a party "with which he has a common ethnic identity." According to ZERI I POPULLIT, the Skopje paper commented that "the communal PDP leaders had made 'progress' in their contacts with Zhulali even before his meeting with the Minister of Defense of the Republic of Macedonia and the Macedonian head of state.... The timing of these meetings is very suspicious."

Article Argues Need for Ethnic Albanian Officers

94P2122A

[FBIS Media Note] An article by B. Ajdini in the 24 August 1994 issue of the Skopje Albanian-language daily FLAKA E VELLAZERIMIT expressed concerns about the possibility, based on a draft law before the parliament of the Republic, that a military academy in The Former Yugoslav Republic of Macedonia, FYROM, might begin this year to train officers for the Army of the Republic of Macedonia, ARM. Ajdini maintained that the majority of the current officers, who were trained in the military schools of the former Yugoslavia, "do not satisfy the needs of the ARM." He reported that the ARM expects that it will need to train 100 new officers each year.

Ajdini expressed anxiety about the future academy's admissions policy, because it is "not fully explained in the draft law." He claimed admissions would be based on the "'well-known' quota for students who are not ethnic Macedonians." He argued that this quota is "disadvantageous" for Macedonia and, even more, for the Albanian population living in Macedonia. He insisted that, in light of the widespread inclusion of ethnic Albanian soldiers in the ARM, the need for commanding officers from the ranks of the ethnic Albanians is "imperative" and "must be satisfied as soon as possible." He warned that the entry of ethnic Albanians into the academy does not depend only on "good intentions or on the current coalition government" but, "first of all," on the Albanian people, "who will have to be interested in this academy."

The military academy and the participation of ethnic Albanians in the FYROM Armed Forces were also discussed in Ibrahim Mehmeti's interview with Nazmi Maliqi, FYROM deputy minister of defense, published in the 20 August issue of FLAKA E VELLAZERIMIT. Maliqi, an ethnic Albanian, said that the opening of the military academy "will create opportunities" for "more Albanian officers" to be appointed in the ARM.

Maliqi blamed the underrepresentation of Albanians in the officer corps in part on a "lack of desire" by his fellow Albanians to be in the Army, which he attributed

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to "political immaturity that can also be characterized as irresponsibility." He warned that this "provides grist for other people's mills." If Albanians are not represented in the Army, they are "giving in to the truism that says that whoever has the Army has the authority to make use of the most important segment of the state—Defense." A single-nationality army would make it possible for the "radicals in the Army" to identify the state with those who make up the army. The idea that the ARM is a force composed of all citizens of Macedonia would "exist only on paper." In the early days of independence, Maliqi noted, "ethnic Albanians thought 'the Macedonian Army is not ours'" while, paradoxically, "Macedonians were afraid that the army was being Albanianized." Maliqi maintained that the current multinationality composition of the ARM belies these prejudices."

Maliqi argued that Albanians are well represented in the Army as a whole but cited difficulties concerning recruitment of officers and civilian workers for the Ministry of Defense. He claimed that "some 26 percent" of the soldiers in the ARM are ethnic Albanians, "compared to 5 or 6 percent one year ago." However, he said this percentage should be "eight points higher" because a number of Albanian recruits, "for various, completely objective, reasons," have not responded to call-ups. On the other hand, the number of officers and civilians employed by the Ministry of Defense has not increased. Maliqi commented that "the fact that only three percent of the ministry's employees are ethnic Albanians disturbs us. Any improvement in this percentage depends on many factors and I doubt that there will be any rapid increase. Even though approximately 90 Albanians were employed in the ministry last year, this is not enough. Unfortunately, we must admit that relatively few Albanians participated in the competition for ministry jobs."

Commenting on the deputy defense minister's remarks, Mehmeti maintained that the question of the participation of ethnic Albanians in the ARM command structure will not be resolved until the parliament examines the issue of opening a military academy. The interviewer was less optimistic than Maliqi about the prospects for more ethnic Albanian officers in the ARM after the opening of the Academy, noting that a large enough number of Albanians would have to take part in the competition for admission to the academy and recalling that only two of the 30 NCO's promoted on Macedonian Army Day were ethnic Albanians.

According to Mehmeti, "it is not hard to predict," that the representation of Albanians in the officer corps "will continue to be unacceptable for a long time." He concluded that "it remains to be seen how long the bitter tradition inherited from the former Yugoslavia—the tradition according to which ethnic Albanians were 'welcome' as soldiers but not as officers—will continue." This tradition "made it necessary to take urgent measures to involve Albanians more extensively in the defense of the common state. On the other hand, the intensive courses to train Albanian reserve officers and incorporate them in the regular army gave rise to 'revolts' in the ranks of the political forces that were trying to form a national state consisting of one ethnic group." However, he added, the tendency of the Albanians to try to avoid recruitment means that the survival of the tradition that Albanians can serve only in the ranks "also depends on the Albanians themselves."

Shehu Supports Referendum on Constitution

95P20082A Tirana RILINDJA DEMOKRATIKE in Albanian 5 Oct 94 pp 1, 2

[Interview with Tritan Shehu, general secretary of the Albanian Democratic Party, by Zef Lleshi; place and date of interview not given: "The Referendum—Placing a New Stone on the Foundations and Walls of Albanian Democracy"]

[FBIS Translated Text] [Lleshi] Mr. Shehu. Recently, the public learned about the completion of the draft constitution by the drafters. Now the draft must be approved. What is the importance of the approval of that document?

[Shehu] I believe that approval of the constitution is of political importance for the consolidation of democracy in the country. A democratic Albanian constitution is important for further integration into international structures. It is especially important for Albania, which has emerged from dictatorship and self-imposed isolation and, for the past two-three years, has been presenting itself with dignity on the international political scene. The approval of the constitution must not have a party influence and must not be regarded as a party matter. The formulation of the Albanian constitution should not be thought of as a victory of the Democratic Party but as a victory for Albania, a victory of the consolidation of the Albanian state. A constitution is a very important document that is not just for today and tomorrow but for a long period of time. I am convinced that the new constitution will undoubtedly be the constitution for the 21st century. I believe that the issue of the constitution should be regarded as being above party interests; regarded with a feeling of patriotism, placing the interests of Albania above party interests. This will be the basis and the point of departure for discussions of the constitution.

[Lleshi] What is your opinion of this draft constitution?

[Shehu] In connection with the first question, let me say that this draft constitution is important because it is up to the standards of the most democratic constitutions; and that, certainly, it is one of the best we have today; and that it is in accordance with the Helsinki principles because it has the Charter on Human Rights as its centerpiece. This constitution consolidates democracy in Albania, consolidates a democratic relationship among the wielders of power, and ensures the active participation of the people in the country's social, political, and economic life. For this reason, this constitution—which,

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certainly, stands above the parties—is a constitution that is linked with the national interests for today, tomorrow, and the future. This constitution, which is based on those constitutional laws which have been approved in Albania's last two democratic parliaments by a two-thirds vote, which has at its foundation those state structures which have consolidated themselves in the two years of democracy and which have met with the approval of international judicial organizations, is one of the best versions that could have been presented to the Albanian people for approval. In this constitution, the idea of parliament as the backbone of the state structures is consolidated. On the other hand, this constitution regulates, in a coordinated and democratic manner, the relationship between parliament, the president, and other executive structures, maintaining the independence of each, as well as cooperation and the coordination of the activities of each. This draft constitution does not give any of the power-wielders absolute authority, since this would be dangerous for Albanian democracy, but rather intertwines the powers and functions of all these authorities around the backbone that is parliament. This constitution supports, once again, the rights and freedoms of minorities. The approval of such a constitution is a credit to the Albanian people and a credit to Albanian political forces and will certainly stand the test of time.

[Lleshi] Why was a referendum proposed for the approval of the draft constitution?

[Shehu] I believe that the referendum route is the most open route. It is one of the most democratic routes and, under current conditions, it is the only possibility that we have for approving the constitution, for various reasons.

One of the routes for approving the constitution is parliament, just as it has approved constitutional laws. In order to approve the constitution by a two-thirds vote, a consensus is required—because we, the Democratic Party, would not be able to obtain two-thirds of the votes. This consensus cannot be achieved in Albania. The approval of the law on human rights, in particular, proved this. Although the main political forces reached a consensus with the president, they did not respect this consensus. When the law was approved, some of them voted against it, some abstained, and one deputy disappeared and, with great difficulty, returned to parliament a few hours later, even though he knew how important his vote was. I think that this shows the lack of seriousness on the part of those political forces with regard to the word they gave in the consensus, a lack of seriousness toward themselves and those they represent. This is even more serious in light of the fact that they reached a consensus with the president of the republic. Therefore, in this regard, I think that the lack of integrity in maintaining the consensus that has been reached makes us think that no consensus can be achieved in this parliament.

The option of a constitutional assembly was rejected. An absurd and head-on attack against this option began immediately, calling it a coup d'etat (!)(?) There were absurd proposals that the Assembly be elected by the people while the constitution would be approved by the parliament.

Therefore, there were two possibilities: either Albania would remain without a constitution or it would have a constitution.

Thus, the only possibility is a referendum. I will tell this to those political forces which say that the constitution can be approved by an assembly elected by the people. I will ask them: Why can't it be approved by the people themselves? It has been agreed that there are other routes for approval besides parliament. Why, then, can't the sovereign people approve the constitution instead of electing representatives to the Assembly? Parliament has carried out its function and given its positive opinion. It is up to the people to vote for the constitution and to approve it. For the first time, the age of referendums, very democratic methods, is beginning in Albania. I welcome it in the name of the Democratic Party and I welcome this message of the president's on the referendum as a democratic message, like the placing of a new stone on the foundation and walls of Albanian democracy.

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Industry Minister Interviewed on Action Plans

AU0211211194 Sofia TRUD in Bulgarian 27 Oct 94 p 9

[Interview with Industry Minister Vitko Elenkov by Sonya Gulubarova; place and date not given: "List of Enterprises Marked for Bankruptcy Is Already Being Reviewed by Experts"]

[FBIS Translated Text] [Gulubarova] Mr. Elenkov, you have already restored the chiefs of the Kremikovtsi Plant and the Pirdop Mining Enterprise, who had been fired by [former industry minister] Bikov. Will this put an end to the settling of accounts with your predecessor?

[Elenkov] This is not settling accounts but restoring justice following bad decisions. Next week, we will also clear up the misunderstandings in the wine-producing industry. I have already restored Engineer Milko Milkov, the director of Vinprom-Service in Nadarevo who was fired. I will not stop here. Many other enterprises have sent documents to the Ministry. After people understood that we will view things in an objective manner, we were swamped with petitions, facts, and other materials.

[Gulubarova] Will you manage to study everything?

[Elenkov] We must succeed, at least in anything related to the most flagrant cases. I have a certain experience, because I too was a manager who was fired by Bikov. Thus, I am familiar with the procedure, because I have experienced it myself.

[Gulubarova] What, basically, will the ministry do until the elections?

[Elenkov] We will utilize the time and the existing possibility for stabilizing the industrial enterprises. The cabinet has already adopted the programs of all ministries and the government program as a whole. We have determined four main directions in the work of the Ministry of Industry, and we took into consideration the brief period of time we have at our disposal as a caretaker cabinet. The first and main thing is already being implemented—establishing calm and social peace—because it is impossible to conduct elections in a tense atmosphere. The other direction is related to activating our industry and removing the subjective factors that hindered its activity. If there are incompetent management teams because of which the enterprises are failing, we will replace them. We must sign contracts with a great number of state companies on quashing and transforming bad credits. We are analyzing all this now. Many employees of our ministry are engaged in this.

[Gulubarova] Will you be guided only by the financial results of the enterprises whose bad credits will be transformed?

[Elenkov] We will be guided by the financial results and by everything else. It is obvious that we will have to divide the enterprises into three groups: enterprises on their way up, enterprises that sometimes surface and sometimes submerge, and the rest, which sooner or later will be closed down. However, I do not think we will have time to liquidate enterprises. The problem is too complex.

[Gulubarova] What will happen to the list of hundreds of enterprises earmarked by the former minister for bankruptcy?

[Elenkov] I want to make this perfectly clear: The list will be reviewed, because, among other things, since the list was made, the situation of many enterprises has been changing in a dynamic manner. We will check and assess carefully, because it is much easier to destroy a house than to build a new one. We will assess the possibilities, potential, contracts, markets, and, naturally, whether or not the managers have any ideas in their heads.

[Gulubarova] What are the priorities of your program as a minister?

[Elenkov] Most of all: to continue the process of privatization. However, there also is something else that is very important: In those 100 days, we will try to see with who we can cooperate with. This applies to both domestic and foreign partners. Golden opportunities for forming mixed enterprises have been missed. Our industry is lagging so far behind in anything related to technology that our only chance lies in developing production-sharing with leading European and world companies. We could attract them. We have excellent experts. Let us hope that it is not too late to activate this capital. It is well-known that it is cheaper to produce in Bulgaria than in the West. The situation in the country is relatively calm and safe. Those are advantages that we must utilize. We have not lost the game. We simply must understand that the technological lag can only be eliminated through production-sharing with foreign partners. Therefore, we must act toward this at government level.

[Gulubarova] Do you mean to say that the state, represented by the ministry, has finally become concerned with its own enterprises?

[Elenkov] I can boldly say that there is no state industrial policy in Bulgari at present. However, it is wrong to just assume the position of observing the processes. The state must coordinate the industry, which is still a state factor. I know that we cannot make order and we will not do so. We could, however, help in identifying the problems and studying the various offers, as well as the conditions and prices. We could also counsel the enterprises engaged in production-sharing for the benefit of all. I think that it would be wrong to assume a totally passive position.

[Gulubarova] Will you accelerate managerial privatization with the participation of workers?

[Elenkov] I welcome all forms of privatization. Naturally, for me it is best if the workers and managers find money, purchase the enterprise, and continue to work in it. This will strengthen their interest and prompt better results. However, I have no illusions regarding the fact that the people do not have enough money to purchase

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enterprises. Therefore, there will not be many such cases—but whenever possible, we will help.

[Gulubarova] Will you make any structural changes in the huge ministry that you inherited? In the past, there were suggestions on separating the food industry and appointing new deputy ministers.

[Elenkov] Yes, there will be a few changes. We are still working on this issue. As far as the deputy ministers are concerned, I relieved Mr. Botsev last week. There will be one or two new deputy ministers in addition to Racho Petrov.

[Gulubarova] Do you need the trade unions?

[Elenkov] Definitely, yes. When I was the manager of an enterprise, I constantly worked with the trade unions. In every dispute with them, the truth is always in the middle, but the whole issue helps the manager to understand the situation better. The people show more understanding when there is an open dialogue, when the employer is more open in his contacts with the trade unions and when he states clearly what the problem is. Better results are then evident. The social dialogue with the Ministry of Industry has been restored. We do not intend to develop a confrontation with the trade unions. On the contrary, we want to make them our partners in the struggle of Bulgarian industry for survival, regardless of whether state or private industry is involved. If industry falls, the state falls.

[Gulubarova] Do you like your new post?

[Elenkov] I have no ambitions to govern. I accepted the post because of the president. Electronics is my weakness. My experience is in the sphere of computer technology and telecommunications. Prior to accepting the ministerial post, I was the general director of a Bulgarian-Austrian enterprise called Inkomskapsch. That company programs and installs digital electronic centers for Norton Telecom. This is a U.S.-French company, one of the most powerful in the world in its field. Thus, one could say that I belong to private business. I do not want to remain a minister. I am on leave from my company and will return there.

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Moravcik Says Cabinet To Resign 3 Nov

LD0211184794 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1600 GMT 2 Nov 94

[FBIS Translated Text] It ensues from the Constitution of the Slovak Republic that the government must retain executive power to its full extent up to the appointment of the new cabinet. Prime Minister Jozef Moravcik said this today when asked by a TASR correspondent whether the government, after resigning, would limit its powers to only the most pressing decisions or would proceed in accordance with its policy statement.

The prime minister went on to explain that, according to the Constitution, the government will resign on the day of the constituent meeting of the National Council of the Slovak Republic—that is, tomorrow. Even after this date, however, it has to fulfill its role. This also concerns privatization, Jozef Moravcik said, and stressed that the Fund of National Property must continue its important role of fund-raising.

Deputy PM To Offer Resignation

LD0211213394 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 2030 GMT 2 Nov 94

[FBIS Translated Text] Deputy Prime Minister Ivan Simko said in the afternoon Radiozurnal that he will resign from his post as deputy prime minister tomorrow, before the beginning of the constituent meeting of the National Council. He has made this decision because the Christian Democratic Movement has nominated him for the post of deputy chairman of the National Council.

Ivan Simko explained that a deputy who is at the same time a government member and whose mandate, according to the constitution, cannot be exercised, cannot be elected to this post. He went on to say that, if he is not elected to the post of parliamentary deputy chairman, he will not rejoin the government and will not accept any temporary authorization for any post in it.

According to CTK, Ivan Simko is to meet President Michal Kovac late this evening.

Kukan States Condition for Joining New Government

LD0211184594 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 2 Nov 94

[FBIS Translated Text] Foreign Minister Eduard Kukan has clarified his statement about his willingness to become a member of the future government, made in his interview with a TASR correspondent in Luxembourg on 31 October.

Minister Kukan told the news agency today that he will be willing to become a member of the government provided it is a broad coalition government formed on the basis of an agreement reached by the political parties.

HZDS, SNS, ZRS Reach Political Agreement

LD0211182894 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1600 GMT 2 Nov 94

[FBIS Translated Excerpt] As we have already told you, representatives of political parties in the National Council of the Slovak Republic [Slovak parliament] met parliament Speaker Ivan Gasparovic.

As Peter Weiss, chairman of the Party of Democratic Left [SDL], said after the meeting, according to the proposal for the individual posts in parliament, there has been a political agreement between the Movement for a Democratic Slovakia [HZDS], the Slovak National Party [SNS], and the Association of Workers of Slovakia [ZRS]. It means that the problem of gaining a majority of deputies, which is needed to elect the National Council bodies according to the views of the election winner, is no longer of great significance.

The SDL chairman expressed his readiness to use all legal possibilities and to create such a political situation in which all of the 150 deputies could take part in the work of parliament.

Jan Carnogursky, chairman of the Christian Democratic Party, does not think the members of the present government coalition will agree on joint action in individual voting during the constituent meeting of parliament. Each party will vote for itself, he noted, but he did not exclude certain consultations on further steps. These also include the decision of the KDH to leave the chamber if only 135 deputies vote—that is, minus the members of the Cabinet.

According to Milan Knazko, the Democratic Union of Slovakia is for interrupting the meeting. [passage omitted]

Reporter Observes Conduct of Elections

95CH0008A Prague PROGNOSIS in English 12 Oct 94 p 6

[Article by Matt Welch: "The Smug and the Addled"]

[FBIS Translated Text] Vladimir Meciar's stunning victory in Slovakia's early elections made fools out of every expert analyst and forecaster, except perhaps for Chris Sulavik, the REUTER correspondent in Slovakia. "No matter what happens," he predicted in early September, "you just know it's going to be really weird."

On Sept. 30, the first day of voting, Sulavik surveyed the evidence. "Last week they seized some kind of poisonous uranium in Slovakia, plus there was an earthquake in Komarno."

Just then, Reuters interpreter Tatiana Vacova called in with shocking news: Meciar had been denied the chance to vote because his name mysteriously came up missing on the electoral register. "This is the greatest vileness they could have done to me," the two-time premier

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hissed at a throng of reporters. "This could not have happened in a civilized and democratic country," continued the man who has governed Slovakia for 30 of the past 51 months. Meciar accused the governing coalition of "primitive manipulation," claiming that his civil rights had been violated.

After 20 minutes, German Press Agency (DPA) correspondent Daniel Brossler arrived at the Reuters office with Jana Dorotkova, a TREND staffer, whose home becomes a sort of unofficial press club each time a Slovak government changes hands. The two of them leaned over one of the Reuters computers and read about Meciar's voting woes.

"That's not true!" Brossler cried desperately. He and Dorotkova tore off madly to match the story, abandoning plans to visit voters in an outlying village. At the offices of TREND, a with-it Bratislava business weekly, reporters burst out laughing when they overheard an exasperated Brossler explaining the story to his baffled editor: "You have to understand. This is Slovakia."

Slovakia looks different than it did two years ago when the last elections were held. Even though the guy selling cheeseburgers in the passageway underneath Bratislava's May 1 Square complains that "Nothing has changed in the last four years," slick new restaurant complexes and fast-food centers have sprung up all over the city, downtown squares and palaces have been renovated, and the Slovak News Agency (TASR), long the laughing stock of the local foreign press corps, has improved vastly.

Some other things, though, haven't changed a whit. Television news is still terrible, there still isn't any place to see live rock, and unemployment remains in the low double digits. Meciar remains impervious, in the eyes of every third Slovak, to the barrage of criticism he endures from former allies, foreign governments and Slovak dailies. His opponents continue to cede broad sections of society to Meciar's magic and his campaign's deep pockets. "He went to every village where they'd never seen a politician before," snickered the Democratic Union's Milan Knazko, who co-founded the Movement for a Democratic Slovakia (HZDS) with Meciar but jumped ship last March.

Knazko's smugness reflects the sharp division between Slovakia's villagers and its cosmopolitans (Knazko was a popular actor prior to 1989), and especially between the old and the young. Meciar, along with Workers' Party leader Jan Luptak and Slovak National Party Chair Jan Slota, relies on support from the uneducated elderly, the type of people who have fond memories of the Nazi-sponsored Slovak state in World War II and are unable to grasp any more of economic policy than knowing what their pension check can buy.

Since a whole class of educated city folk considers Meciar, Luptak and Slota to be insults to human intelligence, and because the most visible of the elderly nationalists are a particularly offensive bunch of aggressive, toothless idiots, one hears a surprising number of jokes about killing all the old people, or at least preventing them from voting. "Slovaks are just stupid," one hears often in Bratislava.

"Meciar's voters are older (than they were in 1992) and with lower IQs," Knazko said with a wicked chuckle. "In a year there won't be so many of them around. Just kidding—but not really."

For the parties who write these people off as a lost cause, the joke isn't really very funny, as the geriatric set has yet to lose an electoral battle since 1990.

Sure enough, Slovak TV was full of footage showing octogenarian after octogenarian limping slowly toward the voting booth. One man was so clearly out of it, standing in front of the ballot box and looking about wildly for a place to put his vote, that an election worker grabbed his arm and guided it gently toward the metal slot.

Then Meciar was on, talking about the conspiracy to foil him from voting. In fact the same mishap befell Party of the Democratic Left (SDL) Chair Peter Weiss and a handful of other big names, all of whom chose to shrug off the incident as a technical slip-up.

On the second day of voting, the biggest story, obviously, is whether Meciar will vote. Actually, the election commission ruled that anyone who had trouble Friday needed only to bring his or her ID on Saturday and it wouldn't be a problem, but the press corps wants to make sure nothing bizarre happens.

Finally, at 1 p.m., the stocky ex-premier, with his beefy neck and enormous ears, strides up past a very loud group of 10 crazed supporters screaming "Vlado be strong!" and jeering journalists.

After voting and answering a few questions, Meciar slowly makes his way through the crowd of photographers, chats briefly with his screaming supporters, sidesteps a sudden scuffle, and then stops "spontaneously" at a neighboring hospital, where three ragged nurses and a child stand waiting to give the once and future premier the chance to show that he cares. It's such a crude setup that few bother to pay attention.

The voting ends at 2 p.m. We catch the first Friday exit poll results at HZDS headquarters, and no wonder everyone's smiling: 31 percent for HZDS, a measly 12.3 percent for the second-place leftist coalition. HZDS press handlers hand out sandwiches, cigarettes, campaign goodies and cognac. "See? We're not barbarians," says one woman. Meciar cancels a press conference he'd promised to have today. The election victor will not be seen again for days.

Over at the SDL office, Peter Weiss is shaken. He complains that Meciar's TV stunt swayed as many as 6 percent of the undecided voters. His coalition partner, the Green Party's Jozef Pokorny, is much more bitter:

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"Maybe we gambled by being too serious and too truthful" he says. "Maybe a little demagoguery would have helped."

On Sunday, the election commission gives the official final results to Reuters before noon. The rest of us have to wait another 40 minutes for the "official announcement" press conference. A man reads in a low monotone the results of all 18 parties in each of the four electoral districts. After 25 minutes of this, xeroxed pages with every number he's just uttered are handed out. No matter how you look at it, it's a drubbing, an absolute triumph and vindication for one of Europe's weirdest politicians.

In no one's wildest dreams would HZDS have received three times as many votes as its nearest competitor. And fewer still would have imagined the "Workers' Party" of Jan Luptak as kingmaker. But there it was: HZDS and the Slovak National Party would together hold 69 seats in Parliament. A coalition of SDL, the Christian Democrats, the Hungarian coalition and the Democratic Union would pull 68. Luptak, with his 13, could easily become the deciding factor.

Over at the Slovak Radio building, the heads of the seven parliamentary parties, with the conspicuous exception of Meciar, sit for a 90-minute television discussion. Luptak, who looks like a crazed elf in a suit, starts babbling a stream of consciousness rap about the economy, voice rising to a fever pitch and temples pulsing. "What happened after November? First what happened? The deputies voted higher salaries for themselves. Then what happened? The deputies went to the factories and raised the salaries of the managers. Then what happened? They raised the salaries of bankers. Then they began to get jealous, so they raised their own salaries again. What kind of reform is that? What about the workers?"

Journalists, and even some panelists, fight a losing battle to suppress laughter. Luckily, super-nationalist Slota interrupts the monologue to address his nemesis Bela Bugar of the Hungarian Christian Democratic Movement: "God saved us from you being in the government." Bugar suggests that perhaps God doesn't have a nationality.

After trying to get Luptak to explain his vision of economics for 30 minutes (what it boils down to: "We need to revitalize the economy"), I talk to Jan Carnogursky, the last true anti-Communist within spitting distance of power.

After brawling with Meciar and everything he represents for the past four years, Carnogursky is now willing to join them in a coalition. I ask why. "You have to understand," he pleads, "Slovakia needs a government."

Gasparovic on Government Members' Proxy Procedure

LD0311111894 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0928 GMT 3 Nov 94

[Address by National Council Speaker Ivan Gasparovic at the constituent session of the National Council in Bratislava—live]

[FBIS Translated Excerpt] Esteemed deputies, 14 members of the Slovak Government were elected as deputies in the elections to the National Council of the Slovak Republic on 30 September and 1 October 1994. [passage omitted] According to Article 77, Paragraph 2 of the Slovak Constitution, if a deputy is appointed as a member of the Slovak Republic Government, his deputy's mandate does not cease, but he cannot execute the duties of a deputy. [passage omitted]

With regard to the provisions set out in Article 77 of the Slovak Republic Constitution, according to which the mandate of a deputy appointed as a Slovak Government member does not cease and is merely not executed, I would like to announce that proxies are to be invited to stand in for these appointed deputies. Because only one of these deputies has resigned [Ivan Simko, Christian Democratic Movement], it is my legal duty to accept this situation and invite proxies to stand in for their mandates.

I have decided to invite to this meeting the proxies who were appointed by the Electoral Commission and to whom the National Council chairman will hand a decree, even though Article 48, Paragraph 6 of the Election Law says that the National Council chairman invites proxies to stand in for the ministers who have a deputy's mandate only after they have taken the oath. It is only after they have taken the oath that these deputies can execute their duties, but it does not mean that they have the mandate. They obtain the mandate by being elected, but they can execute their duties only after they have taken the oath.

Despite the fact that the law says that the National Council chairman would call in deputies within 15 days from the day of taking the oath, I have decided to regard this period as a (?procedural period) and invite these proxies to today's meeting.

I would like to ask the National Council Office to carry out the administrative procedure of adopting proxies. I now announce a 20-minute interval. [Applause]

Loopholes in Election Law Detected

95CH0008B Prague PROGNOSIS in English 12 Oct 94 p 5

[Article by Jeremy Druker, with Alice Zakova: "Election Law Shackles Slovak Media"]

[FBIS Translated Text] Thanks to an election law forbidding the media from reporting on campaign issues,

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voters in Slovakia's first elections as an independent country were left mostly in the dark.

Bound by an overzealous equal-time section in the Slovak Electoral Law, journalists at the country's public radio and television stations presented hours of vapid advertising and little else.

The section was designed to guarantee equal access to public media, by allotting 70 minutes of radio and television time to each of the 18 parties fielding candidates.

By the letter of the law, "During the (23-day) election campaign, it is forbidden to broadcast election speeches or election programs, excepting the broadcast reserved for candidating political parties.. or to publicize any outside speeches that promote a candidating political party."

Within the constraints of the law, the broadcast media could only briefly report remarks made at press conferences and at political meetings; coverage could never be live. Analysts could not discuss the election campaign or any comments made by politicians. Private broadcasters risked losing their licenses if they presented political programming, and were forbidden from showing party ads. Czech TV news, which is normally shown on Slovak Television, was canceled for the duration of the campaign to avoid the broadcasting of politically sensitive stories.

Inside and outside the broadcasting media, the election law was criticized for preventing journalists from doing their jobs. Jana Segecova, manager of S1, Slovak Radio's main channel, said the law created an "absurd" situation that led to "sterile" broadcasting. She favored at least some modification that would allow real campaign analysis. "You have meetings where very serious things are said, things which would demand some verification. When a candidate claims he will lower taxes, and also claims how, there should be an economic commentary," she said.

Marian Minarik, who heads the Slovak Television office, which oversaw the campaign broadcasting, agreed. "We will present a proposal in the future to change the law, because the law limits us, in the election period, from broadcasting anything during the time when viewers need the most information from us. We have to hold back and look like nothing is happening, and it shouldn't be so."

Segecova speculated that the Parliament deputies who passed the law might have intended it to have this effect.

Some journalists and political observers, however, blame radio and television for interpreting the law too strictly. Rather than taking advantage of loopholes that might allow for some coverage, some say those in charge at the public media have let their fear of being criticized win out over journalistic responsibility.

When a vice chair of the Movement for a Democratic Slovakia (HZDS) stated during the campaign that certain industries could be taken back into state ownership after the elections, Slovak radio and TV news let the remark pass almost unnoticed.

But in the quick-to-roller-rabid-dog environment of Slovak politics, broadcasters have reason to be wary of doing even mild political coverage. In one example of oversensitivity to bias in the media, a small scandal erupted when well-known STV anchorman Igor Kubis referred to the present government as *docasna*, that is, "temporary."

A government spokesman and Kubis exchanged statements regarding the validity of "temporary" to describe a normal government; there were even calls for the anchorman's dismissal, although many news organizations, including Reuters, use the same or similar descriptions. No doubt this incident was magnified due to Kubis's reported off-air sympathies with HZDS.

Meanwhile, rumors continue to circulate of parties influencing and even bribing television journalists to provide favorable coverage. A few weeks back, Julius Gembicky, a columnist at the daily NARODNA OBRODA, wrote, "Every party is aware of the importance of the press and the media. It is no wonder that there is gossip that some Slovak Television journalists are being wooed or paid by the parties."

New Chairman Elected To Slovak TV Council

LD0211184894 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1600 GMT 2 Nov 94

[FBIS Translated Text] At the ordinary session of the Slovak Television Council on 31 October, Professor Jozef Prusak gave up his post of chairman of the council.

Eva Kristinova was elected chairwoman of the Slovak TV Council by secret ballot.

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Foreign Minister Views Government's 1st 100 Days

AU0211213194 Budapest NEPSZABADSAG in Hungarian 31 Oct 94 p 4

[Interview with Foreign Minister Laszlo Kovacs by unidentified correspondent; place and date not given: "Questions to the Ministers"]

[FBIS Translated Text] [NEPSZABADSAG] What have you achieved in the past 100 days, and what experiences have you gained?

[Kovacs] Given the fact that results in foreign policy generally appear in the form of processes and not overnight, as a whole I am satisfied with the results achieved by the Hungarian foreign policy and the Foreign Ministry over the past 100 days. Without delay, we began to ease the lack of confidence and tension prevailing in Hungarian-Slovak and Hungarian-Romanian relations, and this has tangibly improved the international evaluation of Hungary and of Hungarian foreign policy. At the same time, I think that, as a result of the frequent personal meetings, the artificially incited reservations toward the new Hungarian Government have decreased considerably among the organizations of ethnic Hungarians living beyond our borders. They increasingly understand that this government focuses on steps that really improve their situation, rather than on resounding slogans. They are increasingly losing the fear that the new Hungarian Government wants to come to an agreement with the neighboring countries at their expense. Parallel to all this, we made it clear that Hungary wants to become a full member of the Euro-Atlantic integration organizations as soon as possible. As I see it, the Foreign Ministry officials are ready to identify with the foreign policy efforts of this government, and they welcomed the fact that, in evaluating the Ministry's personnel, I regard professional knowledge and professional achievement, rather than party affiliation, as decisive.

[NEPSZABADSAG] What have you failed to achieve?

[Kovacs] It was a disappointment for me that the opposition in parliament does not regard the government's efforts with the expected objectivity based on the national interests connected to its successful foreign policy. I do not complain about the fact that some of our steps or statements are criticized; instead, I complain about the fact that they argue about statements that have not even been uttered, and they frequently see intentions as belonging to the government or to me personally, intentions that are clearly denied by facts, like the alleged political cleansing underway in the Foreign Ministry. It does not bother me that the opposition brings up the same issues repeatedly, disregarding the previous answers; it does bother me, however, that the repeatedly provoked arguments are damaging Hungary's international prestige.

[NEPSZABADSAG] How much have you changed your personnel, how many people have been replaced, and do you plan a reduction in personnel?

[Kovacs] First of all, we had to replace the people who left together with the previous leadership, including people who quit and the ambassadors and mission heads recalled by the previous leadership and the new leadership of the Ministry. Besides, the changes in the heads of foreign missions, a total of 23 cases, represent an average number that is considerably smaller than the number of changes carried out in 1990. It belongs to the circle of natural changes that three returning ambassadors became deputy state secretaries, and two deputy state secretaries became ambassadors. About two-thirds of more than 30 department heads have been replaced, but one must also be aware of the fact that it is part of the activity of the Foreign Ministry that there is a certain "rotation" regarding the positions at home and abroad. More than 60 people reached retirement age this year, and 50 of them have been pensioned.

FRG Not Mediating Hungarian-Romanian Treaty

LD0111124294 Budapest Kossuth Radio Network in Hungarian 1100 GMT 1 Nov 94

[FBIS Translated Excerpt] Foreign Ministry spokesman Gabor Szent-Ivanyi, speaking today at a regular Foreign Ministry news conference, clarified the statement made by Foreign Minister Laszlo Kovacs in Kaposvar on 29 October. Szent-Ivanyi said that Kovacs had been quoted incorrectly. Germany will not in actual fact mediate in bringing the Hungarian-Romanian basic treaty to a successful conclusion, but rather—as the European Union president—will follow it with attention and is ready to promote the process. [passage omitted]

Security Law Drafted, Media Law Stalled

95P20111

[FBIS Media Note] Considerable progress has been made on the national security law, but attempts to reach agreement within the governing coalition on the media law—another key piece of legislation—have foundered, reported articles in the 18 October issue of the daily NEPSZABADSAG.

According to information that the paper received from unidentified sources, interministerial agreement was recently reached on the draft of the national security law, and the government has submitted the draft to the national security committee of parliament for discussion. Tibor Fuzessy, who represents the opposition Christian Democratic People's Party on the committee and who headed the national security service as minister without portfolio in the previous government, told NEPSZABADSAG that "judging from the working draft, the final text will probably not differ significantly" from the draft that the national security office worked out under his tenure. Given the wide consensus on this issue, Fuzessy indicated, it is unlikely that "significant disagreements will develop among the parties" concerning the security law as it goes through the legislative process. According to NEPSZABADSAG, the committee will

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probably present the draft law, which is classified secret, to the parliament for general debate the beginning of November.

In contrast, it is "virtually certain" that no media law will be passed this year because of disagreement within the governing coalition, said NEPSZABADSAG. Passage of the law requires a two-thirds majority and thus the support of both coalition parties, but the Alliance of Free Democrats (SZDSZ)—the junior partner—is balking at some key proposals of the leading Hungarian Socialist Party (MSZP). According to SZDSZ media expert Peter Molnar, NEPSZABADSAG reported, the main problem is that the "MSZP has changed its earlier position" on three "important" political issues. In contrast to its earlier stance, the MSZP now wants to let the prime minister "influence the appointment and the dismissal of the heads of radio and television;" it now questions "the necessity of making independent" the board that oversees the allocation of electronic media frequencies; and it has "now come up with the idea" that a "government representative should participate in every meeting" of the frequency allocation board. According to NEPSZABADSAG, Prime Minister Gyula Horn responded to these charges by denying that the government wants to interfere in the appointment of the media chairmen and by asserting that the government only wants its representative to be "an observer" at the frequency allocation meetings because the government "must be involved in these questions for budgetary and other reasons."

Defense Ministry 'Crisis Management' Plan Viewed

95CH0016A Budapest MAGYAR HONVED in Hungarian 30 Sep 94 pp 12-13

[Interview with Dr. Karoly Janza, brigadier general and deputy state secretary in the Ministry of Defense, by Gyorgy M. Toth, place and date not given: "Not A Scourge....; Crisisology"]

[FBIS Translated Text] *The Ministry of Defense cabinet recently adopted a crisis management plan inspired by Major General Dr. Karoly Janza, the deputy state secretary at the Ministry. This does not close the case, of course. A document containing a specific action program to implement the plan was being prepared when this article went to the press; it will be released in the form of a situation analysis and order of tasks issued by the minister. Well, the interview with the deputy state secretary provides a number of additional pieces of information, enabling us to obtain as full a picture as possible of the situation of the Honved [Defense] Forces and its proximate future.*

[Question] General, what is the essence of the plan?

[Janza] Its title says it: Crisis management.

[Question] All right, but the obvious issue is not that we talked of the devil until he appeared....

[Janza] That's not the issue, of course. But still, the essence is that a crisis management program must be developed when something of a crisis nature evolves in a given field, in our case at the Honved Forces. We are experiencing such a situation. Upon receiving our assignments, lacking other documents, we analyzed the January-June 1994 financial data and this year's processes, took note of the MH [Hungarian Defense Forces] commander's statement at the hearing, and the government's consolidation program. The only conclusion the Ministry's leadership could reach regarding the management and the financing of the army was that a crisis situation exists. This crisis must be managed somehow.

I would add here, however, that several misinterpretations have appeared in this regard, confusing crisis in the economic sense of that term, with an inability to perform military tasks, with the impossibility to perform defense activities.

[Question] Not without cause, because what we hear most frequently is that the Honved Forces are in great trouble.

[Janza] Not without cause, of course. The economic crisis—which, in our case, means current payment problems, the exhaustion of reserves, the loosening of the management system, shortcomings in the financial reporting system, and a number of other things—obviously has an impact on the basic activity. No serious person would say that the basic activity does not suffer when management processes in the Army cannot be controlled for an extended period of time.

But there is a time lapse between these two factors. Economic and financial security is only one of the components that provide combat readiness. The condition and operating capacity of technology is far more important than that. And the human factor is even more important: the extent, the length of time in which each person is willing to apply, and is capable of applying the acquired knowledge he masters. Accordingly, the two factors do not necessarily merge, but doubtless, an unmanaged economic crisis sooner or later prompts an operational crisis.

[Question] Not too long ago you told the Defense Committee that the situation in which the Ministry and the Honved Forces find themselves today did not strike like a scourge, that it did not evolve all of a sudden. One could expect that, based on the processes of the past eight years. How should we interpret this statement of yours?

[Janza] First and foremost: One of the corner stones of the crisis management concept is that the defense budget can no longer endure reductions in real value. The fact that today's situation could be foreseen is implicit in "why" the defense budget cannot endure any more reductions in real value.

The loss of real value that occurred between 1986 and 1990 is of great interest. Our 1986 position could be

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regarded as well conditioned, because 36 percent of all expenditures were earmarked for development, while 64 percent were allocated for maintenance. This ratio projected the image of a developing Army. We have lost this position as a result of continuous cutbacks in development. By 1990, the development fund ratio has decreased to 15 percent. In the ensuing four year period development suffered further drastic reductions, while along with minimum increases in the nominal value of the budget, the real value of the appropriated funds decreased by more or less 50 percent. This provided a clear path toward the evolution of today's economic and financial crisis situation.

In viewing the facts from another angle we find that the so-called 1/12th financing, i.e., the financing of the Honved Forces on a monthly basis, was introduced during the past four years. This created impossible situations in a number of instances, because the tasks to be performed by the Honved Forces, procurement, various expenditures, etc., do not occur on a monthly basis. Having said that, one of the important findings of the crisis management plan is that the present situation in this regard can no longer be maintained. True, when initiating changes regarding this matter, we must also be aware of the fact that as a condition of making changes we must also modernize the order of planning.

[Question] In the course of parliamentary debate over the 1994 supplementary budget a number of statements authorized the government, and thus also the minister of defense, to shift funds between so-called budget titles—in agreement with the Finance Minister—during the remaining months of the year. In your view, these "in house" reallocations provide only narrow opportunities. For example, one of the possibilities presented is to take away money from the already crippled material-technical area and use these funds for other purposes. I wonder, does the crisis management plan contain the related steps to be taken?

[Janza] It is not the purpose of the crisis management plan to go into details, because details will be contained in the action program based on the concepts presented, designating the tasks, the persons responsible for the various tasks, and deadlines for implementation. And we must also recognize that all the means we have require fiscal intervention. This is the coarsest of solutions, one we always objected to, but we have no other choice. The diagnosis presented in the plan reveals all the areas which experience crisis situations.

Some of the crises are of a technical nature, i.e., it is possible to remedy these. Other crises, however, require higher level intervention, as, for example, discontinuing the 1/12th financing I just mentioned. But obtaining full financing for our budget, a matter we have already proposed, is also of this nature. In other words, full financing would mean that the ministry would not forced to produce its own revenues, as that is presently mandated by the budget law. We are requesting this, because the army is not an enterprise. It is not a business like a corporation, but an organization established to perform special tasks. Not even the conditions exist in the army by which it could ceaselessly produce certain revenues, by selling barracks, for instance.

Aside from all this, we always receive certain revenues, of course. Some of these are of a technical character, such as moneys received from the National Health Insurance Fund to finance our hospitals. And we also receive revenues of a nontechnical nature, based on services provided, and in the form of leasing fees. We could continue receiving these revenues even along with full funding; we have proposed that these amounts be paid to the treasury, to the Hungarian National Bank, and this way we could accumulate a development fund.

[Question] Would this be another segregated Honved account?

[Janza] Nothing like that! What we are talking about is a fund under the full control of parliament, the National Defense Committee, a fund we could not freely utilize, in which necessarily received revenues would be deposited. And money could be obtained from this fund based on the government's recommendation and with the concurrence of the National Assembly, the Defense Committee, of course. According to our plans, the fund to be accumulated this way could be utilized by us in the first phase to cover excess expenditures incurred by the armed forces reform plan to be submitted to parliament this year, and in the second phase for the implementation of development projects approved by parliament. Accordingly, our proposal presumes civilian control from the outset.

But let me return to your previous question. Accepting the possibility of shifting funds from one title to another, as authorized by the supplemental budget, would mean that during the remainder of the year, along with the already mentioned process, we could, indeed, reallocate funds to pay wages and other expenditures having the character of wages. As a result of this, however, we would not obtain more money, all we could do would be what you have already mentioned, namely, to deplete the already crippled budgets of the material-technical area, procurement, renewal, and construction investment. Incidentally, the temporary exemption from under the provisions of the state household law does not apply to reallocations. As part of this, the government would have to submit next year's budget to parliament a month later, i.e., in January of next year, if the National Assembly adopts the supplemental budget bill.

[Question] A while ago you used the term "diagnosis." Did you act as an internist or as a traumatist when drafting the plan?

[Janza] I wrote the diagnosis as an internist whenever I had to make a finding as to whether the patient was truly sick, and if so, the kinds and number of diseases he had. And as long as we made this analogy: When viewing the

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facts from the financial standpoint, from the standpoint of potential financing, I found that drastic measures should be taken at this point already. But even in this situation one cannot make decisions without due consideration. I already mentioned the Armed Forces reform concept to be presented to parliament in November. We would not proceed appropriately if at this time, even for good cause, we were to decide to take a step, the effect of which would prevent us from making a rational decision later.

One of the important messages contained in the crisis management plan is that we must establish an objective, external system of conditions for the Army. This is so, because the army itself does not determine the tasks it is supposed to perform. At the same time, however, the principles of national defense do not provide a sufficient basis for decent military planning work. This is why we made an initiative, presented a request to parliament, to simplify, and to accurately describe the Army's order of tasks, on the basis of which a new structure, new tasks, and a financially feasible system of tasks could be established.

Crisis management presumes of course, that we remedy internal structural and functional disturbances over which we have control. Namely, we have accurate knowledge of the fact that the financial reporting system is bad, that the planning system is bad, that the financial and economic structure is bad, that internal standards are bad, and that cooperation between various leadership organs is bad. To mention just one example: If a task calls for the performance of two defensive military operations in 10 or 12 days, there is no justification for accumulating provisions for 30 days.

And as I already discussed this matter, we have some tasks that demand immediate solutions, such as the problems we have with our current payments. Not all of these problems can be resolved based on our own will, nevertheless our initiative to resolve these problems is needed by all means. Accordingly, the crisis situation cannot be managed by using a simple approach. Aside from all this it comes as natural that we want to establish order around our own house. But we also count on not being forgotten, when it comes to responding to our initiatives concerning the formulation of an external system of conditions for the Honved Forces.

We are dealing with national defense, after all.

Impact of Financial Problems on Officer Training

95CH0016B Budapest MAGYAR HONVED in Hungarian 30 Sep 94 pp 4-5

[Interview with Brigadier General Janos Szabo, commander of the Lajos Kossuth Military Academy, and Lieutenant Colonel Gyorgy Szirony, section commander, by M. Istvan Katona; place and date not given: "The Commanders; Officer Training in the Poorhouse?"]

[FBIS Translated Text] *A professional officer we know told us this story: Not too long ago, before taking their military oath, soldiers walked to the rifle range for marksmanship qualification, in order to complete their basic training. Moreover, the commander carried the equipment needed at the rifle range in his own, old Zhiguli. This took place at the Lajos Kossuth Military Academy.*

The walk could be regarded as a road march, but conducting a road march is hardly reason for having soldiers walk 8 km to the Izbeg rifle range. Could this really have happened, or is this just another story created by the fantasy of rookies? Engineer Major General Janos Szabo, the commander of the Academy, and section commander Lieutenant Colonel Gyorgy Szirony responded to our questions.

[Szabo] The report is true, and our poverty is the reason behind this event—Major General Szabo said. We have no money. For example: the annual amount of money allocated for the payment of public utility bills ran out on 1 August. We received another 12 million forints from our superiors, but we still need 8 million-10 million forints. I am confident, and I hope that at the start of the heating season we are not going to be forced to take steps as a result of which there might be no hot water, or heating might be restricted. But we have to count on this possibility.

[Question] Should we still believe that officer training is going on under these financial conditions?

[Szabo] Last year we had about 600 students, this year we had 1,011 persons at the start of the academic year. Since our academy trains commanders, our students must also learn to drive fighting vehicles. In addition, there are many field exercises, tactical exercises, and shooting practices. We have already restricted our fuel consumption to a point where, for example, reservist students no longer drive fighting vehicles, and practice only on simulators. This has happened because the previous annual volume of 250 tons of fuel turned into 190 tons last year, and 160 tons this year. Even this amount was reduced by 10 percent a month ago. At the same time, the number of students has almost doubled, and we do not want to lower the level of training requirements. Thus it is incomprehensible to me why they reduce our fuel supplies so drastically. We do, of course, understand the Army's concerns in this respect, but if things are, and are going to be resolved this way, the officers and NCO's of the future are going to suffer. Quite naturally, we must consider the consequence that they are not going to be prepared the way the army, the country expects us to prepare them.

Another clear-cut consequence of the austerity measures is that we are unable to hire educators to replace those who retired recently, or went looking for better paying jobs. For example, on occasion, classes offered by the foreign language department, as well as by other departments do not convene at all, because there are not enough educators.

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I could go on and on with similar examples. We do, of course, take note of these measures, but we are also forced to take note of the fact that as a result of these measures, the number of students, and the time used for preparation changes in a reverse ratio. I am stating this, too, in the report I am about to complete. I have already raised this issue before, but I did not receive an answer that reached the merits of the issue.

[Question] So, the bottom line is that soldiers had to walk to the shooting range because there was no car, there was not enough fuel. Is this correct?

[Szabo] This was the first time in the history of the Academy that soldiers went on foot to the Izbeg shooting range, and returned on foot. They are also returning on foot from the Csobanka tactical exercise field, even though that field is 20 km away. Incidentally, we have 750 rookies. This number includes reserve and professional officer, and NCO students, as well as enlisted soldiers performing service activities.

I must also tell you that at the time these people reported at the Academy, we had 8 million forints altogether to get everyone dressed, even though 19 million forints were needed. The Army command decided that we could take from the central warehouse 11 million forints worth of clothing "on credit." This, of course, is once again going to increase the number of unsettled bills the army has. Last year, too, 8 million forints of clothing money was missing; at that time we helped ourselves by having reserve officers appear in civilian clothing at the graduation ceremony.

[Question] What effect does the shortage of funds have on the quality and quantity of meals?

[Szabo] We are still able to maintain the quality level attained before, a choice between two menus exists. But I cannot guarantee this in the future, because prices have risen once again in recent months. We will have to return to a single menu with more modest meals, if funding does not increase proportionately with price increases.

[Question] There is little money. Do you still have enough patience?

[Szabo] Patience? I do not want to talk about the devil, but the following must be recognized: Today's cutbacks will reappear in the form of [inferior] training levels attained by young officers graduating next year, and in years to come. It is difficult, of course, to dispute the reasons for having to save money, but here we are dealing with an educational institution, whose successful, or less than successful activities will become visible decades hence. Savings should be achieved otherwise. Should our graduates begin their professional careers without ever having sat in a fighting vehicle, because there was no fuel?

Our students regularly go out to the troops to perform tasks we cannot perform under the conditions in which the Academy finds itself. These include, for example, tank and artillery shooting practices, and larger scale tactical exercises. Unfortunately, not even the troops welcome us anymore, they, too, lack funds to finance our exercises. The officer assigned to make such preparations returned from one unit with a message saying that we better bring along heating oil, and pay for the water and electricity we use....

I trust that our superiors take note of this, and that they take steps to at least ameliorate the situation. We are unable to take further action, we cannot lower the training requirements anymore. NCO trainees spend only a year here, they will curse us when they arrive at the troops untrained. I must confess: I am concerned about the final months of the year. Even though I am confident, I am afraid that at one point I must report that one or another area of the Academy has become nonoperational.

[Question] How did you overcome the problems in the course of basic training?—we asked Lt. Col. Szirony, the section commander of the institution.

[Szirony] There were a few problems, but fortunately, basic training is not overly material intensive. We tried to make the men understand that we must economize. Our marksmanship scores indicate that we worked well, and that economizing did not go to the detriment of training. Despite the fact that we were not able to practice even with dummy ammunition, the basic qualification exercise ended with surprisingly good results. It is indeed true that we went to the rifle range on foot, but each company also completed the 20 km "walk" to Csobanka on one occasion, at least.

In contrast: We were unable to paint the walls of the housing quarters, even though the heavy use of these would have made painting necessary. There was no money for that, we were able to whitewash the lavatories and the bathing facilities only.

Just how did the basic training go? We satisfied the requirements. We felt that we could not claim that we lacked the means, that we had no fuel. Financial concerns did emerge though in the course of troop training. Short of fuel, armored transport combat vehicles could not be started, applied or used. Not everything can be simulated in the course of military training nowadays.

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Reportage on Russian Prime Minister's Visit

ZChN: Postponed on 'Pretext'

LD0211151494 Warsaw PAP in Polish 1413 GMT 2 Nov 94

[FBIS Translated Text] Warsaw, 2 Nov (PAP)—According to Ryszard Czarnecki, leader of the Christian-National Union, the postponement of the visit to Poland by Russian Prime Minister Viktor Chernomyrdin is "a very serious and disturbing precedent," and the reason for the postponement was "fabricated in an undiplomatic way."

At a news conference in Warsaw today, Czarnecki emphasized that the "pretext was far-fetched and not real. It is certain that, in the hierarchy of importance in Russian policy, relations with the Western countries are of far greater significance than matters related to Poland or relations with the countries of the former USSR. The postponement of the visit is an example of bad will on the part of the Russians."

"We, as a state, have not provided them with an excuse," he said. According to Czarnecki, this matter will have "quite a negative effect on human relations between the two peoples." It also demonstrates the "weakness of the present government, which lacks clout in international politics."

'Real Reason' for Delay

WS0211132194 Warsaw GAZETA WYBORCZA in Polish 2 Nov 94 p 19

[Article by Jacek Pawlicki: "Poland-Russia; Gas Pipeline and Diplomacy"]

[FBIS Translated Text] Why was the visit of the Russian prime minister to Poland canceled? Is it because of differences of opinion on the construction of the Yamal gas pipeline and the issue of the settlement of mutual debts?

Chernomyrdin's trip was hailed in advance as an important economic visit. Its importance was to be underscored by the signing of several intergovernmental agreements. The most important of them is the "agreement on the principles of settling mutual indebtedness between Poland and the Soviet Union."

The agreement was initialed as early as the end of October. However, it is still not known exactly how much we are supposed to give back to the Russians. The Russians, in turn, propose repaying their debt to Poland, estimated at $100 million, through deliveries of armament—for example, the S-300 antirockets. However, Poles do not want them.

The Russians were "embittered" enough already and then came the final straw: understatements concerning the most important undertaking for Russia—the construction of the gas pipeline from the Yamal Peninsula to western Europe. The agreement on the gas pipeline was not included in the list of official documents that were to be signed by both prime ministers.

It is worth recalling that, during President Boris Yeltsin's visit to Poland in the summer of 1993, it was settled that the construction of the Polish portion of the gas pipeline would begin as early as March 1994. Gas was to be sent through the pipeline in early 1995. Unless the agreement is signed soon, construction of the first Polish portion of the gas pipeline will not begin early in 1995.

According to Foreign Economic Cooperation Minister Leslaw Podkanski, the agreement would be signed by Europolgaz, an investor company constructing the Polish part of the pipeline, and Gazprom, the Russian monopolist in the area of the extraction and sale of natural gas. However, the Russians are not certain who will be the Polish partner of Gazprom. They also say that the issue of financing the construction of the Polish portion of the pipeline, which is to be 665 km long, has not been finally decided. According to the Ministry of Industry and Trade, the investment is to cost $2.5 billion. The Russians are talking about $3 billion.

No one has any doubt that this is a huge and long-term venture. The pipeline linking the deposits in the Yamal Peninsula and Germany is to be 4,000 km long, and its construction is to cost, according to the Russians, $100 billion.

Over the past few months, the issue of building the pipeline has become a bargaining chip in the Polish-Russian contacts on the government level. According to Ambassador Yuriy Kashlev, the several-month delay in the visit of Prime Minister Chernomyrdin was caused by the postponement of its construction. Is this the real reason this time as well?

Remarks by Russian Ambassador

LD0211221994 Warsaw TVP Television Second Program Network in Polish 2000 GMT 2 Nov 94

[From the "Panorama" program, including recorded remarks by Russian Ambassador to Poland Yuriy Kashlev and Russian Consul General Ivan I. Dolgy, in Russian with superimposed Polish translation; relayed by TV Polonia Network]

[FBIS Translated Text] [Unidentified correspondent] According to the Russian side, this year alone there have been 3,600 attacks on Russian citizens in Poland, and these are just those who have declared themselves at the consulate. To the question of why exactly this incident, before the visit to Poland by Prime Minister Chernomyrdin, has been so publicized by the Russian side, Ambassador Kashlev replied:

[Kashlev] This incident has acquired such dimensions as we can observe in U.S. films about the Wild West. When three carriages are being robbed in the center of Warsaw for an hour and a half, no one intervenes. When people

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turned for help, they got a smack in the mouth for good measure. [sentence as heard]

[Correspondent] In the view of the Russian side, favorable conditions are created for criminals in Poland for attacks on Russian citizens. No one puts people on the wanted list for this because the Polish police claim that this is a matter of Russian score-settling.

[Kashlev] It is said that Russians beat Russians, and why should Poland apologize for this? But, after all, this is not the point. The problem is based on the fact that it is not permitted to arrest citizens of a foreign state without contacting an embassy or consulate. Up until today, we have not received a reply to why this came about, and we are surprised that no one replies to this question.

[Correspondent] As we have discovered, at the embassy there are accusations by 50 Russian citizens who complain of bad treatment by the Polish police.

[Dolgiy] Also, what the Polish press writes at the moment—that there were only six citizens—is untrue because these people who arrived in Germany and in Brussels immediately made statements on the spot, in the Russian consulates. At the moment, the matter is still not finished—what took place at the Warsaw eastern railway station; it is still not the end. This is not just about these six. Those people who arrived, also beaten, and are in Brussels and Germany, in Aachen, and in other places. Very many people were beaten. They were robbed, as well—three carriages. I feel that it was possible to take some appropriate steps, so as to, we do not know, either not allow this to take place or catch the perpetrators or take some other steps so as to defend these people who were traveling on this train.

[Correspondent] Every year, almost 2 million Russians come to Poland. According to data from the Police main command, up until September, 2,652 foreigners were suspected of perpetrating crimes in Poland, of which 1,594 were citizens of the CIS and 394 Russians.

RZECZPOSPOLITA Comment

WS0211141194 Warsaw RZECZPOSPOLITA in Polish 2 Nov 94 p 5

[Commentary by Slawomir Popowski: "What Does Moscow Want?"]

[FBIS Translated Text] It seems almost certain that Prime Minister Chernomyrdin will not come to Poland on Thursday. After the incident at the East Railway Station in Warsaw, the Russian authorities decided to show their adamant stand toward Warsaw. Moscow did not consider it necessary to wait until the course of events at the Warsaw railway station is finally established, nor was it interested in the reply of the head of the Polish diplomatic service to more charges leveled by the Russian Foreign Ministry, which demands "an official apology" from Poles, not just "words of regret."

Much seems to indicate that the intervention of the Polish police served as a pretext. The incident at the East Railway Station was given political significance on purpose. The significance was so great that it justified the cancellation of Victor Chernomyrdin's visit to Poland at the last moment.

As a matter of fact, nothing suggested that things would turn out this way. The trip of the Russian prime minister, which had been delayed several times, was "prepared perfectly." All of the fundamental agreements were prepared, and even though several financial issues were not finally settled, this does not justify such a strong reaction.

Therefore, an explanation should be sought only in the political sphere. Either the Russian officials wanted to calm their own "hawks," who traditionally criticized both the government and President Yeltsin for being too submissive and lenient toward foreign countries, which, as a rule, are considered enemies, or they took advantage of the occasion to demonstrate to Warsaw their impatience with the obstinacy with which Polish politicians are trying to force open the door to NATO and European structures. Russian politicians believe that, in doing so, Poles are entirely ignoring the interests and arguments of Moscow.

To put it mildly, Polish-Russian relations are not very good. Declarations about good-neighborliness remain just declarations, and economic cooperation is developing primarily thanks to private entrepreneurship. Apart from that, relations are cool.

Poland is not very popular with the Russian press, nor is Russia popular with Polish newspapermen. The situation will not improve after the cancellation of the Chernomyrdin visit. At least several months will pass until everything gets back to normal. However, what is this norm? In Poland, many politicians think it is possible to develop economic cooperation with Russia regardless of political cooperation. The history of Prime Minister Chernomyrdin's visit proves that this is difficult, to say the least.

Olechowski on Apology

LD0211141594 Warsaw Radio Warszawa Network in Polish 1300 GMT 2 Nov 94

[FBIS Translated Text] Foreign Minister Andrzej Olechowski is attending a government meeting where he will present a draft of the Polish position on the cancellation of Russian Prime Minister Victor Chernomyrdin's visit to Warsaw, planned for tomorrow and the day after. The Ministry of Foreign Affairs worked out its draft during a meeting between Olechowski and Stanislaw Ciosek, Poland's ambassador to Moscow, which took place at the ministry this morning. The Polish position on the cancellation of Prime Minister Chernomyrdin's visit is to be presented in the next few hours.

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It transpires from Olechowski's statement that an apology demanded by the Russian side for events that took place at the Warsaw Eastern railway station on 23 October, when Russian passengers suffered, could only take place after a special commission has determined that Polish authorities were guilty.

[Begin Olechowski recording] We are not able to give a definite reply to Russian demands. I recall that those demands are apologies. Of course, we can apologize for the behavior of the Polish authorities but only after we determine that they really behaved in an inappropriate manner. There is an investigation in process, I could say, on a very high level, involving a representative of the minister of internal affairs. When this has been concluded, guilt has been determined, and those guilty have been found, I have no doubt we will apologize.

We will also then decide on the possibilities for compensation and so on. I think that, until then, it is not possible in any law-governed state for any official such as the prime minister, the foreign minister, or anyone else to offer an apology. [end recording]

New Date To Be Set

LD0211160794 Warsaw TV Polonia Network in Polish 1100 GMT 2 Nov 94

[FBIS Translated Text] Russian Embassy First Secretary Grigoriy Yakimishin told the News program that Russia hopes the next date for the Russian prime minister's visit to Poland will be decided after the visit to Moscow by Minister Andrzej Milczanowski. Milczanowski's visit is planned for 15 November.

Olechowski Interviewed on Resignation, Reasons

WS0311100094 Warsaw GAZETA WYBORCZA in Polish 31 Oct-1 Nov 94 pp 14-15

[Interview with Foreign Affairs Minister Andrzej Olechowski by Edward Krzemien and Piotr Pacewicz; place and date not given: "I Have To Protect My Reputation"]

[FBIS Translated Text] [GAZETA WYBORCZA] You once said you felt free because you were rich. How rich were you upon entering government?

[Olechowski] First of all, I believe that a man has a responsibility to his family and should guarantee it a certain standard of living. These are not the times of Dr. Judyms [Polish literary hero]. Missionaries and fanatics can work for nothing. That is not a model I follow. I want officials and politicians to be efficient professionals.

From 1972 until 1986, with a three-year break, I worked abroad for very reasonable pay. That gave me a material status quite unusual for a young man in Poland. After I resigned as minister of finance (May 1992—ed.), I established a lucrative consulting business. That gave me with quite a handsome income.

[GAZETA WYBORCZA] Did you become impoverished upon entering Pawlak's government?

[Olechowski] Let us not exaggerate, but that pile of money is really shrinking. For the time being, we have enough on which to live quite comfortably, but, in the future, I might face the dilemma of whether I wish to pursue public service. And I do not mean making extra money—a couple of million does not change anything.

As a minister, I receive a gross income of approximately 27 million zlotys [Z].

[GAZETA WYBORCZA] Does that include all your income?

[Olechowski] In addition to that, there is "envelope money," meaning another Z10 million or so in quarterly bonuses.

[GAZETA WYBORCZA] That gives you a net sum of approximately Z20 million.

[Olechowski] A bit less than that. Considering conditions in Poland, that is a reasonable salary, comparable with the proportion to mean wages in Germany, for instance. After all, you cannot say that a minister should earn Z200 million. That would be horrific.

[GAZETA WYBORCZA] Could it be that you are complaining?

[Olechowski] I have made a deliberate choice, and that is that.

[GAZETA WYBORCZA] How much less do you make as a state official?

[Olechowski] Much less. In previous years, I paid the revenue service well over Z100 million in monthly advance payments for the annual tax. Those were really sound incomes.

[GAZETA WYBORCZA] You were paid three times the average domestic salary for being a member of the supervisory board of Bank Handlowy. That was not much by your standards. Why did you need that?

[Olechowski] I gained all my experience in economics. I entered foreign politics by chance, to some degree. Why should I put all of my achievements at stake for a fleeting cause, when I can be fired on any day? It was vital for me to stay with one foot in the economy. That is where my career lies.

A foreign affairs minister is also expected to have some knowledge of the economy.

[GAZETA WYBORCZA] You are clouding the issue. What does the supervisory board of the bank have to do with that? A meeting once a year...

[Olechowski] Not once a year, but at least once a month. At meetings held in the largest Polish bank handling foreign trade, I learn about the credit situation in

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Poland, as well as about the problems pertaining to credits for foreign trade. Here one can really see what is going on in the economy.

[GAZETA WYBORCZA] All right, but should you take money for that?

[Olechowski] I cannot make a definite statement on the issue. The law says that state officials should sit on supervisory boards in joint-stock companies of the State Treasury. A heated debate on the topic was held in the Sejm two years ago, and everyone agreed that deputies should not but that state officials should. In private companies, it is the opposite.

Now that we have arrived at the conclusion that this is not fair, let us hold another debate and change that.

I am not certain, however, if anything has to be changed. Who, for instance, should sit on supervisory boards of huge banks? This is where authority and image count.

I can tell you, gentlemen, that, on the day my resignation was announced, I met the speaker of the Sejm not as a minister but as chairman of the Bank Handlowy supervisory board. The issue at hand was that the reputation of the bank had once more been tarnished in the Sejm. We discussed how to strike a balance between unrestrained political debate and protection of our interests. Only someone with authority can approach the speaker on an issue such as that...

Where does one find such people? If they cannot be high-ranking officials, one has to look outside government. How can you expect an outsider to be loyal?

[GAZETA WYBORCZA] Maybe they could be officials, but should they be paid for that?

[Olechowski] Together with Finance Minister Kolodko, we asked ourselves that question in the year when supervisory boards were elected for new terms. Experts from both the Office of the Council of Ministers [URM] and the Belweder agreed that there were no counterindications. Nevertheless, Minister Kolodko raised the question of whether these extra incomes should not be cut off. I said I would support him.

[GAZETA WYBORCZA] But you did receive remuneration from Bank Handlowy?

[Olechowski] This bank always paid members of its supervisory board. They pay three times the average salary, which is, by the way, the lowest rate paid by banks. In comparison with other banks, moreover, there are no extras—no bonuses, no cellular phones, no offices, no company cars, nothing.

[GAZETA WYBORCZA] You were elected to the People's Council and head the council of Wilanow gmina [district of Warsaw].

[Olechowski] I do not get a salary for that, only an allowance.

[GAZETA WYBORCZA] How much?

[Olechowski] Approximately 125 percent of the minimum salary per month.

[GAZETA WYBORCZA] Aleksander Kwasniewski suggested that your resignation was an emotional reaction. Was your dignity hurt? Or did you simply blow your top and throw your papers? And now you have cooled off and suspended your resignation?

[Olechowski] I do not see any difference between my position then and what I did today. I am aware that it is impossible to replace a foreign affairs minister overnight. Also, it is not a job you can simply leave.

I asked to be dismissed from my duties before the end of the year. Two months are enough to settle the issue. Perhaps it will not be settled in my favor. It may turn out that we have all violated the law in good faith. The plain truth is that no one had any idea that the 1981 resolution even existed.

[GAZETA WYBORCZA] Jan Rokita also admitted that he did not know such a resolution existed when he was head of URM.

[Olechowski] Exactly. That is not an excuse, however, because not knowing the law does not exonerate one from it. When one carefully reads the law on earnings of high state officials, it becomes clear that it does not apply in my case. The law refers to officials "performing other functions"—other public functions, that is. The law was drafted when everything was more or less state-controlled. If "other functions" meant "all functions," the reviewer in the PROBLEMY TECHNIKI weekly would also fall under scrutiny. Yes, because that was a state publication, a monthly [as published] published by the state, and so on.

[GAZETA WYBORCZA] When a journalist on our paper returned from the press conference where you announced your resignation, she said she had never seen you so furious.

[Olechowski] I was rather disturbed—overwhelmed, if you will. I know what a resignation of a foreign minister implies. I have always thought that, if it came to that, such a resignation should be prepared quietly and announced along with the name of a new candidate for the post. Please believe me when I say I am troubled by this. Still, I had to act quickly.

[GAZETA WYBORCZA] We wrote that the president knew nothing of this. Other papers wrote that he did know what was going on.

[Olechowski] I did not notify him. I did not have the time. The day before, I visited Belarus. I returned at 2300 and learned that I was on the list.

You are asking me whether this was an emotional decision. What else could I have done? What other way out do I have?

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[GAZETA WYBORCZA] You could have done what other ministers did. They kept quiet—as if nothing happened. Besides, the coalition, particularly the Democratic Left Alliance [SLD], gives the impression that it is very surprised with your reaction. Perhaps they thought everyone else would have dirty hands if theirs remained clean.

[Olechowski] I do not know what their reasoning was. I am absolutely crazy on the point that no one accuse me of stealing money. Poland is continually rocked by scandals. Many people have gone over my record with a fine-tooth comb, but no one has found anything against me. And I have been with the administration since 1986. One of my bosses also browsed through my record. I remember his saying to someone: "Look at that ceiling. Do you see what color it is? Pure white, just like Olechowski."

I do not have any political background. I do not have any party or structure on which I could fall back or ask for confidence. All of my activities are based on my public credibility. I can go out and say: This is so and so. They will believe it because Olechowski says so. And how can you believe someone who is dubious, unsure, a thief?

This never happened to my family, but I know that the children of other officials accused by the prosecutor general returned from school and asked: "Is it true that daddy is corrupt?"

[GAZETA WYBORCZA] You told us politicians are soiled. Does that mean you see the need for a campaign resembling the "clean hands" action?

[Olechowski] I do not know whether this is such a widespread phenomenon. I do see the need to make sure that legal regulations do not leave any room for doubt. The prime minister did the right thing in requesting that the legislative council prepare a report. Most danger of corruption, however, appears where politicians cross paths with entrepreneurs and businessmen.

[GAZETA WYBORCZA] But is there a need for such a strong campaign?

[Olechowski] Such purges, such campaigns produce meager results, and usually no one knows what do afterwards.

[GAZETA WYBORCZA] There is some truth to that. The coalition does not know what to do about the situation right now. Cimoszewicz seems to have become politically isolated. Everyone is keeping his distance. Does that mean you were successful?

[Olechowski] It would be awful if the incident were interpreted as the isolation of only Cimoszewicz, who wanted to do good, by the political class. You must remember that Cimoszewicz did not attack anyone for violating the law. He simply gave some laws new meaning, which he was not authorized to do. And he himself uses the argument of breaking the law.

Cimoszewicz announced the launching of a huge campaign. Why did he not look into the material status of officials? Every one of them has to sign a statement upon taking office, but not upon leaving. Maybe we should begin to check that. Becaise we earn so little, it might be worth finding out from where the money for apartments, renovations, and better cars is coming.

We have to look into the big economy, where, as it is said, offices are "wet." The Foreign Affairs Ministry [MSZ] is a desert. What can you make money on here?

[GAZETA WYBORCZA] You had to have a theory on what the reactions of politicians would be, what the consequences would be...

[Olechowski] No, no. I waited for the following day's press. The fundamental issue for me was whether the public understood what I had done. It turned out that it did, and I do not care what the developments are in terms of political relations.

Please understand, I am not playing a lousy game. I am not planning any second or third moves.

[GAZETA WYBORCZA] You met with President Walesa on the evening of the day you announced your resignation. How did he react?

[Olechowski] The president had had a hard day—a meeting at the National Defense Committee [KOK] in the morning, then the address to the nation. I also had had a hard day, first KOK, then the resignation, then the Sejm, where I answered deputies' questions, then the Senate... So, mainly, we just clutched our hearts.

[GAZETA WYBORCZA] Did the president approve of your decision? Did he not consider it disloyal?

[Olechowski] I repeatedly told both the president and the prime minister that I do not want them to approve or disapprove of my decision. I am not seeking their trust by handing in my resignation. I want to initiate a process where decisions will be made in court, whether it be the Constitution Tribunal or a common court of law. That is the only kind of decision I find acceptable. The rest are worthless.

[GAZETA WYBORCZA] The SLD accuses Pawlak of having seen the Cimoszewicz list and says he could have reacted but did nothing.

[Olechowski] I knew nothing about that. Neither the prime minister nor his deputy spoke to me. I learned about it at the same as the public at large.

[GAZETA WYBORCZA] But you could have expected that this would happen. You gave Cimoszewicz all of the information. The list was compiled on the basis of questionnaires the officials filled out under scrutiny.

[Olechowski] Yes. I not only wrote that I did earn a salary, but I specified the amount, although I am not supposed to disclose such information to anyone other than the revenue service.

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[GAZETA WYBORCZA] Let us assume the Constitution Tribunal is unable to issue an opinion.

[Olechowski] Over the next few days, I intend to ask lawyers who I can sue. I think I can sue the State Treasury...

[GAZETA WYBORCZA] The State Treasury?

[Olechowski] Because I cannot single out any official, but I have just begun investigating that.

[GAZETA WYBORCZA] What if there is no decision before the end of the year? What if it is unfavorable to you?

[Olechowski] I am leaving. I was employed by the president, the prime minister, and the coalition to perform certain functions. At one point, members of the same coalition made it impossible for me to continue my activities. Why should I not protect my reputation?

If someone approached me and said, "Mr. Olechowski, if you committed suicide, Poland would be accepted into NATO the very next day," I would seriously consider the matter because I'd know I would be doing it for my wife, for my children, for future generations.

But, when someone comes to me and says, "You must make a sacrifice for the nation, for the cause, but you must become a thief," I just do not buy that.

I do not want to resign from the post of foreign affairs minister. I like the job. I feel I could score a few points at the end of this year and the beginning of next. Why should I give that up?

[GAZETA WYBORCZA] There are opinions that your resignation is a cunning plan. A renowned intellectual said it is a "dramatized change of roles."

[Olechowski] You should not believe such intellectuals. I have already made a public announcement stating that I will not run against Walesa in the presidential election.

[GAZETA WYBORCZA] This is not about competing with the president, but about leaving Pawlak's government with dignity. The possibilities for you to carry out your foreign policies are becoming limited. You are being blocked by the coalition, which is carrying out its own shadow foreign policy.

[Olechowski] You cannot put it like that. As far as foreign policy trends and objectives are concerned, the Sejm voted unanimously. Also, the government approved my motions without any difficulty, with the exception of reform within the MSZ, but that is an internal issue, not a foreign policy problem. The prime minister's and the remaining ministers' appearances abroad give no grounds for criticism. Contrary to what you have said, the foreign affairs minister's policy is effective. There is a problem of a different nature—namely, whether the current domestic situation still justifies carrying out foreign policy as it is.

[GAZETA WYBORCZA] We have learned from unofficial sources that the Belweder's first reaction was suspicion that Olechowski had begun playing his own game.

[Olechowski] I want to stress I am not going to run in the campaign against Lech Walesa. Moreover, once President Walesa launches an energetic presidential campaign and establishes an election committee, I cannot remain in the government.

[GAZETA WYBORCZA] ? [as published]

[Olechowski] I cannot be in a government the president criticizes all the time. I do not have a split personality and cannot be on both sides at the same time.

[GAZETA WYBORCZA] How is this interpreted abroad?

[Olechowski] I am not the one you should ask. Why did they put me into this tight spot? It is rather silly to have a foreign minister who has formally resigned or suspended his resignation. But would it not have been worse for the foreign affairs minister to stay in office as if nothing were wrong even after the prosecutor general brought up accusations against him?

In any case, the credibility of the state representation is undermined. What is the solution? Either dismiss the minister or state clearly that he is not a thief.

[GAZETA WYBORCZA] Are you not ruining your chances of working with the government?

[Olechowski] There will definitely be a conflict in relations with [Deputy] Prime Minister Cimoszewicz. But his colleagues, no. Why? This is not a hazard to the coalition government, which is not a team. Cooperation is not ruled out.

[GAZETA WYBORCZA] Have you met with Prosecutor General Cimoszewicz since the list was announced?

[Olechowski] No. Cimoszewicz had known that I was earning money from Bank Handlowy from the very beginning, for 12 months. Why did he suddenly go public with it, in an atmosphere of scandal? First he began to study the anticorruption law. When it turned out that he did not find anything big there, probably some wise guys brought him the 1981 law, thinking they could do something with it. And they did.

Foreign Trade Turnover Forecast for 1994-95

95EP0005A Warsaw HANDEL ZAGRANICZNY in Polish No 7-8, Jul-Aug 94 pp 5, 34

[Article by Malgorzata E. Jagiello, as excerpted from the author's study "Development of Foreign Trade in 1993" in "Polski handel zagraniczny w 1993 roku" (Polish Foreign Trade in 1993), Annual Report, jubilee edition, IKC HZ (Institute for the Study of Foreign Trade Business Cycles and Trends), Warsaw: "Polish Foreign Trade Forecast for 1994-95"]

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[FBIS Translated Text] This trade forecast was prepared on allowing for the factors and conditions affecting changes in exports and imports. Concerning exports, it was assumed that:

1) The economic revival of Poland observed since the second half of 1992 will intensify in the next few years, with the GDP rising at the rate of 4-4.5 percent annually. (Footnote) ("Strategy for Poland" envisages a 4.5-5.0 percent annual rate of GDP growth.)

2) The growth of exports will be a major goal of the state's economic policy, as reflected in the growing number of measures of a promotional nature.

3) The expected business recovery in economically developed countries will afford an additional opportunity for the expansion of Polish exports.

4) The devaluation of the zloty relative to foreign currencies will continue to be an instrument for enhancing the profitability of Polish exports.

5) The Polish economy will afford conditions that encourage investment (cuts in interest rates, activation of National Investment Funds) and the output coming from the new investments will be to a large part destined for export.

6) The price competitiveness of Polish exports on foreign markets will increase in the next few years, while the Polish terms of trade will not deteriorate.

In turn, as regards changes in the level and structure of imports, it was assumed that:

1) The considerable increase in the volume of imports, especially those of consumer goods, observed since 1991, will diminish markedly compared with the previous years; this will be promoted by both the devaluation of the zloty against the dollar and instruments of a selective nature such as countervailing duties on agricultural and food products.

2) In accordance with the forecasts developed by the Institute for the Study of Foreign Trade Business Cycles and Trends in cooperation with other research institutions at an AIECE (Association of European Institutes for the Study of Business Cycles) forum, world price levels for individual commodity groups will stabilize following a period of decline, while, in the case of raw materials, they will steadily rise (see Table 1).

Table 1
Forecast of World Prices in 1993-95
for Major Commodity Groups
(Annual Changes in Percent)

	1993	1994	1995
Crude petroleum($ per barrel)	16.6	15.0	15.5
Raw materials (HWWA index)	- 9.2	5.0	5.0
Highly processed goods	- 4.0	0.0	0.0

Source: "Materials of the Working Group for Foreign Trade," AIECE, Budapest, March 1994

3) The competitiveness of foreign goods on the Polish market will gradually diminish as the consequences of the increases in world prices of raw materials will impact the prices of processed goods.

4) A decrease in the annual growth rate of imports below 5 percent is hardly likely, given the anticipated shift of part of consumption demand to investment demand.

Given these assumptions, it is expected that, during 1994-95, the volume of Polish exports will increase at the rate of 6-6.5 percent annually and the volume of imports approximately 5 percent annually. In other words, Poland's exports will increase at the same rate as world exports, but its imports will increase somewhat more slowly (see Table 2).

Table 2
Forecast of Poland's Foreign Trade
as Compared with World Trade
in the Years 1993-94
(Annual Changes of Trade Volume in Percent)

	Exports			Imports		
	1993	1994	1995	1993	1994	1995
World	3.4	5.9	6.6	3.1	6.4	6.8
OECD countries	1.6	4.8	5.6	1.0	5.6	6.2
OPEC countries	3.0	4.0	5.0	- 2.0	- 2.0	2.0
Other developing countries	10.0	10.0	10.0	10.0	10.0	9.0
Central-East Europe*	3.0	5.0	7.0	8.0	6.0	7.0
Poland	- 2.4	6.0	6.5	20.0	5.0	5.0

*Exclusive of trade within

Despite the presumed minimum 4-percent annual rate of economic growth in the next few years and the anticipated acceleration in the growth pace of the volume of exports, the forecast is not optimistic. For the next few years, Poland will be threatened by a continued increase in the trade deficit, to as much as more than $5 billion. This is understandable in view of the considerable investment needs of the economy during the transition period, but, at the same time, it is disturbing in view of the high foreign debt and the need to service it in accordance with the adopted obligations ensuing from the agreements for restructuring that debt.

Consequences of GATT for Polish Agriculture

94EP0005B Warsaw RYNKI ZAGRANICZNE in Polish No 102, 25 Aug 94 p 6

[Article by Jozef Niemczyk: "The GATT Uruguay Round: Consequences for Polish Agriculture and Trade in Farm Commodities"]

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[FBIS Translated Text] The Uruguay Round of GATT was completed on 15 December 1993. Following the signing of the final agreement on 15 April 1994 in Morocco,it led to the establishment of a new world trade organization (WTO). The agreement comprises 116 countries participating in the Uruguay Round, including Poland. (Footnote) (Poland joined GATT in 1967. Our membership was suspended; we have to renegotiate it with eight countries making trade demands to Poland, especially with the United States, Canada, Australia, New Zealand, and Japan.)

Poland did not complete bilateral negotiations within GATT by 15 December. Our offer to GATT is still subject to talks with the United States, which has reservations concerning the industrial offer and has withdrawn its previously declared acceptance of the agricultural offer.

The Polish agricultural offer consists of four parts:

—First, it declares the intent to slash subsidies for farm producers by 20 percent in the period until 1999, taking as the base period the years 1986-88.

—Second, it declares the intent to slash subsidies of farm exports by 36 percent in the period until 1999, while, at the same time, reducing subsidized exports by 24 percent, taking as the base period the years 1986-90.

—As promised by Poland in its agricultural offer, the cuts in subsidies for farm products and exporters are rather of a nominal value because, for example, the current export subsidies are minimal and will probably become even lower as ensuing from the quantities calculated and declared to GATT. This reduces the competitiveness of Polish farm exports. Unfortunately, GATT rules do not provide for any compensation for lower than specified in the Uruguayan Round guidelines support of domestic production and exports. It may be that the cuts in farm and export subsidies in the highly developed countries will reduce the "pressure" of food imports on the Polish market owing to some increase in food prices abroad and, at the same time, enhance the effectiveness and volume of Polish food exports. However, this question requires thorough analysis.

Third, in our agricultural offer, we defined the so-called minimum market access—that is, import quotas that can "enter" the Polish market following the payment of present-day duties. The basis for determining the quotas is 3 percent of the consumption in the base period—that is, in the years 1986-88—or the actual imports during that period.

The imports of certain farm commodities to Poland before 1989 were somewhat of a doctrinal nature, such as the "aid" imports of sugar from Cuba or imports of feed grain for the livestock farms then preferred by the state. It is thus more advantageous and justified to adopt as the minimum market access 3 percent of the extent of consumption for 1995 (- 5 percent in 1999). Even so, certain positions adopted for the starting year 1995 may in the future be considered too high and a threat to Polish farm products.

Fourth, our agricultural offer declares the intent to link duty rates. (Footnote) (A linked duty rate means that its level cannot be raised without compensating for it in the form of lower duties on the imports of another commodity.) That is, these rates will be linked to:

—The present-day level, including the zero level, when it is found that the importation of a given commodity does not threaten the domestic market (about 30 percent of farm products).

—But mainly at a level much higher than the current duty rates. Calculations of duty rates to be linked for GATT at high levels ensue from the possibility of conversion of extraduty (tariff) import restrictions—that is, countervailing fees, minimum import prices, import licensing, (voluntary) export restrictions, certain customs fees, and so forth.

Once the provisions of the GATT Uruguay Round become effective, only duties can be employed as an instrument for market protection.

The Polish agricultural offer is based on the so-called national offer, which made possible a comprehensive determination of the duties declared as linked, as defined not owing to the arithmetical application of various tariff and nontariff instruments but thanks to the use of coefficients ensuing from the level of the so-called comparative predominance of a given product (method of Professor Marian Guzek). Linked duties will be gradually reduced, by an average of 36 percent but by a minimum of 15 percent, until 1999. The duties for linkage declared by Poland to GATT have many features in common with the EU's GATT offer. Among other things, their level was priced, in the case of some products, in ECU's per physical unit of commodity. This is due to the need for adaptation to EU indicators in connection with Poland's commencement, two years ago, of the process of associating itself with that community.

The trade agreements negotiated under the GATT Uruguay Round will take effect in January or July 1995. In view of the nature of GATT regulations, which mean sharp competition among the economies of various countries, and, at the same time, considering the underdeveloped state of the Polish economy, inclusive of the food sector, major measures should be taken ahead of the economic confrontation awaiting us. A thorough appraisal of export prospects should be the basis for measures modernizing the food industry in order to make it more competitive, especially in selected subsectors, which would make it possible to expand exports.

The most important negotiating objective at present is to determine the concessions to Poland declared under the European Agreement in view of the guidelines of the

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GATT Uruguay Round and the relationship between the two agreements, that is, which provisions of which agreement are more authoritative.

Generally speaking, Article 24, Paragraph 5 of GATT specifies, "The provisions of the present agreement will be no obstacle to the establishment of a customs union or a free trade zone between the territories of the contracting parties, or to their conclusion of an interim agreement for the establishment of a customs union or a free trade zone," on condition that such union or zone not be based on more restrictive rules than previously and that it not conflict with Article 2 of GATT. It thus appears that, in the coming negotiations between Poland and the EU concerning reciprocal trade liberalization, under the GATT Uruguay Round, we should have the right to expect concessions no smaller than those declared in the European Agreement.

Certain symptoms are, however, disturbing to the Polish side. For example, it ensues from the comments of Commissioner Rene Steichen, who recently visited Poland, that the import quota for slaughter cattle declared by the EU to GATT is 30 percent lower than the current imports.

The EU has not declared to GATT that it will provide minimum access of soft fruits to its market, which threatens excessively high import barriers to Polish exporters, as at present, also when the Uruguay Round guidelines become mandatory. In its offer to GATT, the EU replaced reference prices of soft fruits with ingress prices, which are higher than minimum prices. Failure to adhere to reference prices would be tantamount to the introduction of a specific customs duty—that is, of an instrument as restrictive or more restrictive than the currently applied countervailing fees.

As regards the consequences of the GATT Uruguay Round, the related appraisals vary wildly.

The negative appraisals assume that, speaking in general, the rules of the GATT Uruguay Round represent a distinctive division of sales market among strong farm exporters from the highly developed countries. (Footnote) (Cf., for example, Andrzej Koraszewski, "Wielki poker" [Big Poker], PWN Press, Warsaw, 1993.) The basis for such interpretation is the extremely low level or total absence of farm export subsidies in poor countries. It thus ensues that these competitiveness and export chances of these countries cannot equal those of the highly developed countries in the next 10 years because, even after that period, the rich countries will be authorized to apply a fairly high level of subsidies.

It is worth nothing that Poland, which at present generally does not apply export subsidies, also subsidizes agricultural and food production to only an insignificant extent. According to the estimates of Wieslaw Gawron, the Producer Subsidy Equivalent (PSE), an indicator of subsidies for Polish farm producers, reckoned according to the official exchange rate of the zloty for the U.S. dollar, amounted to 16 percent in 1992 (24 percent in 1988). For the EEC, this indicator amounted to 47 percent in 1992, for the United States 28 percent, and for Japan 71 percent. (Footnote) (See "Reduction of Subsidies for Farm Producers," a seminar at the Ministry of Agriculture and Food Economy; "Opportunities for Polish Agriculture Under the GATT Agreement," Warsaw, February 1994, typescript, Table 4.) Concerning EU countries, it is worth noting that the new policy of reallocating funds directly for subsidizing farm incomes will be a factor in reducing farm prices. Hence, the profitability of Polish farm exports to the EU may increase slightly.

Optimistic appraisals of the GATT Uruguay Round presuppose a revival of world trade, including agriculture and the food industry, especially in the highly developed countries, which should stimulate the growth of the world economy and thereby reduce unemployment. (Footnote) (It is estimated that world income will increase by $5 trillion over 10 years of functioning of the guidelines of the GATT Uruguay Round.) Irrespective of the degree of optimism with which the consequences of the GATT Uruguay Round are viewed, allowance will have to be made for sharper competition on the world market of farm products, which means difficult prospects to small and underinvested farms.

Preliminary appraisals of the consequences of the Uruguay Round to the Polish food industry, made by experts at the Institute of Agricultural Economics and the Food Industry, are optimistic. A continued uptrend is expected in the demand for certain products (potatoes, fruits, vegetables, rape and oils, sugar, pork, milk and dairy products, sheep products), along with a rise in the output of wheat and eggs. However, these analyses are based on highly rigid assumptions—that is, they presuppose imports to the extent specified in the minimum market access quotas declared to GATT. They assume an increase in world prices and in the possibilities for Polish exports, along with some decrease in domestic consumption. Such assumptions may prove in practice not quite true because:

1. World prices do not have to rise considerably and on all markets.

2. Imports into Poland will remain relatively cheap and Polish exports rather expensive owing to imperfections of the economic and financial system in Poland. Imports may be much higher than envisaged in the minimum market access quotas, in view of not only the needs of the domestic market but also the dearth of or flaws in the Polish system for monitoring import quotas, which still is not sufficiently organized.

To avert a deterioration of the balance of foreign trade, many countries will employ special safeguards ("SSG")—for example, in the form of reference prices or additional duties (for a one-year period). (Footnote) (On this topic, see Document No. 6, "Agreement on Agriculture," Part 3, Article 5, "Special Safeguards.") The

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additional duties may be levied immediately if the import price is lower than the reference price (from the 1986-88 period).

That price may be set at a high level, especially for processed products or when the imports exceed a quantitative ceiling, even by 5 percent (in the event that declared market access is 30 percent).

Hence, in the simulation models of the consequences of the Uruguay Round, we need not necessarily assume that we will "flood" the markets of certain products with Polish goods. It appears that this is something that can be afforded by the most highly developed countries, which export at low cost chiefly because of the low production cost and the high quality of their merchandise.

Poland must urgently draft a program for its specialization in the production and exports of farm commodities in order to, on the one hand, expand its competitive exports and, on the other, gain a foundation and a rationale for effectively supporting the development of its own production (Article 18, GATT) and effectively protecting its market (Article 19, GATT, and Article 5, Part 3, GATT Document No. 6).

Once the guidelines of the GATT Uruguay Round take effect, Poland must also start work to introduce a system for monitoring the implementation of the declared minimum access of foreign imports to its market as well as a system of special safeguards, including reference prices.

Before its negotiations with the EU, EFTA [European Free Trade Association], and CEFTA [Central European Free Trade Association] countries concerning adaptation to GATT Uruguay Round guidelines, our country should prepare thoroughly substantiated proposals for the access of Polish farm exports to the markets of these countries as well as propose specific import quotas for access to the Polish market, and also duties (in breakdown by merchandise according to the PCN 10-digit code).

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Police Seize Radioactive Material in Urechesti

AU0211214194 Bucharest ADEVARUL in Romanian 31 Oct 94 p 1

[Unattributed "note": "Strontium in Vrancea"]

[FBIS Translated Text] We have learned from authoritative sources that, last weekend, the police seized a significant amount of radioactive material, which could be strontium. One of the persons involved in the affair is a member of the military.

We would like to remind our readers that already at the beginning of this month, in the village of Urechesti, Vrancea County, the police seized 7 kg of uranium and a source of strontium, all concealed in a lead pipe. On that occasion, after having caught the people red-handed, the police arrested three citizens of the Republic of Moldova, two Israelis, and two Romanians.

PUNR Leader's Statements Cause Controversy

AU0311075794 Bucharest ADEVARUL in Romanian 27 Oct 94 p 2

[Report by Silviu Achim: "Will Gh. Funar Be Sued in Court Again?"]

[FBIS Translated Text] On the 50th anniversary of the liberation of Romanian territory from under the fascist Horthyite occupation, the PUNR [National Romanian Unity Party] did what a party that calls itself national ought to do, and issued a declaration. The document says the Romanians have always been a stable nation, and that they do not belong to the kind of populace "that ride their horses with raw meat under the saddle and, that kept moving their border marker further out toward the east, west, south, and north." The story then comes closer to our times, talking about the Horthyite occupation of northeastern Transylvania and the eradication of that rule five decades ago. The PUNR considers that "it would have been only natural and necessary for Hungary, through its president, to have apologized to Romania and the Romanians for the behavior manifested during the occupation." In the opinion of the party of Mr. Funar [PUNR chairman], the same gesture should also have been made by the UDMR [Democratic Union of Hungarians ir. Romania], and precisely in the town of Carei [hosting ceremonies marking the anniversary]. The document concludes by suggesting that those persons belonging to the Hungarian ethnic minority in Romania who are not loyal to the Romanian state and who have given proof of this "had better hasten on their way to Hungary."

As expected, the UDMR was not long in reacting. Mr. Csaba Takacs, the executive chairman of that party, assessed the so-called communique as "vulgar" and as the desperate attempt of a man trying to sensitize his electorate by all means. The UDMR leader also considers that the PUNR declaration violates Articles 6, 7, 29, and 30 of Romania's Constitution, and as a consequence of this, the UDME is "examining the possibility of suing Gheorghe Funar in court."

For its part, the PUNR standing bureau was no more "amused" by the Funar-signed declaration. PUNR Spokesman Mircea Valcu argued that the leader of his party had issued the declaration in his own name, without previously consultating with the PUNR staff. Besides, the declaration does not coincide entirely with the views of the standing bureau, which especially does not agree with certain formulations used by the impetuous mayor of Cluj-Napoca [Funar]. Consequently, the standing bureau will hold discussions with Gheorghe Funar as soon as possible, probably to draw his attention to the fact that words uttered by party presidents, even if uttered in their own names, are always immediately associated with the parties those presidents lead.

Officials Explain Seizure of Bulgarian Vessel

AU0311094294 Bucharest Radio Romania Network in Romanian 0500 GMT 3 Nov 94

[FBIS Translated Text] In connection with the seizing by Romanian customs authorities of the Bulgarian vessel Vasil Aprilov, authorized transportation ministry sources told our correspondent Ion Marinescu that at the request of the UN commission monitoring the observance of the embargo [on the former Yugoslavia], the vessel was seized by Romanian authorities in the Danube port of Turnu Severin on 27 October and is still being held there.

The Bulgarian vessel will be released after the UN special commission and Romanian customs authorities conclude their investigations, provided the authorities find there has been no breach of the embargo.

We wish to recall to mind that a BTA—Bulgarian news agency—report received by ROMPRES announced that because of a technical failure, the vessel requested assistance from the Turnu Severin port authorities but received a negative answer. Consequently, the ship then sailed for repairs to the Serbian port of Kladovo, but on its way there was seized by Romanian authorities acting with the approval of the UN sanctions commission.

The Bulgarian shipping company has asserted that the seizure of the ship is unjustified and that this action is connected to the recent seizure in the Bulgarian port of Vidin of a vessel flying the Romanian flag. This accusation has been rejected by the Romanian Transportation Ministry.

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HVO, 5th Corps Combine Offensive Operations

AU0211133094 Paris AFP in English 1306 GMT 2 Nov 94

[Report by Francis Curta]

[FBIS Transcribed Text] Sarajevo, Nov 2 (AFP)—Bosnian Croat troops Wednesday [2 November] were joining a Moslem-led offensive in central Bosnia in the first large-scale combined operation of the new Federation Army against the Serbs, reports here indicated.

Bosnian Croat HVO [Croatian Defense Council] forces and artillery pieces had mustered north of Tomislavgrad, but had not yet joined in the battle, UN Protection Force (UNPROFOR) spokesman Lieutenant-Colonel Tim Spicer said Wednesday morning.

But Radio Pale, the Serb mouthpiece, said Wednesday that HVO forces had attacked positions on the strategic Kupres plateau with artillery, tanks and infantry on Tuesday afternoon and that HVO reinforcements had been moving up in the area throughout the night.

HVO sources here confirmed that battle had been joined.

Zagreb-based UNPROFOR spokesman Paul Risley said Tuesday the HVO had some 1,000 men into the area.

The Croatian news agency HINA reported that HVO forces had captured a dozen villages from Serb forces on the plateau in a drive along the main north-south axis between Tomislavgrad and Rama. Two Serb tanks and troop transporters had been destroyed and another tank captured by the HVO during the fighting, which HINA said had inflicted heavy losses on the Serbs.

A little further north, Moslem-led forces, who last week initiated a general offensive on several fronts, have seized some high ground outside Kupres.

Its Serb civilian population appears to have fled, according to reports here.

In Sarajevo, Deputy Defence Minister General Arif Pasalic Wednesday called on all HVO forces to join the offensive.

"Do not allow yourselves to be mere bystanders in the fight waged by the Bosnian Army against our common enemy," he said on radio, adding that last year's war between the two forces had been a "historical mistake."

The HVO and Moslem forces are allied within a new federation formed last spring after both sides signed a ceasefire. But bad blood between the two sides has prevented the merging forces or even fighting alongside each other until now.

Capture of the Kupres plateau would give the federation a more direct route to major government-controlled towns in central Bosnia, and would considerably ease the supply of humanitarian aid to their populations.

Separatist Serbs from Krajina in Croatia were reported to be assisting the Bosnian Serbs.

On the western Bihac front, where Moslem-led forces last week scored their most important success in the 30-month-old war and captured some 250 square kilometres (100 square miles) of territory, heavy fighting continued around the town of Bosanska Krupa, Spicer said.

Government forces, who have surrounded the Serb-held town, appeared to have captured its northern suburb Tuesday afternoon, he added.

There was also heavy mortar and artillery exchanges to the north around Otoka.

Elsewhere on the western front the Bosnian Army progression appeared to have stopped, possibly because troops were being sent to fight at Bosanska Krupa, Spicer suggested.

Sarajevo's government-controlled radio said Serb forces were attacking "the newly liberated territories", adding that Serbs from nearby Croatia were shelling Moslem-held population centres in Bihac.

The UN confirmed that one child had been wounded in shelling at Velika Kladusa by shells fired by secessionist Krajina Serbs in Croatia.

Pale radio, for its part, said that "joint forces of the (Bosnian Serb Army) and of the (Krajina Serb forces) had liberated Spasovo after heavy fighting yesterday in the Bihac's Krupa area."

Moslem forces suffered "huge losses of men", the radio added.

In northern Bosnia, there was heavy Serb shelling overnight of the Gradacac sector, along with fighting near Doboj.

Serbs Attempt To Regain Positions at Kupres

AU0211164894

[FBIS Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1400 GMT on 2 November carries several reports on the fighting in the republic within its regular 40-minute newscast.

A studio announcer reads a report by (Vehid Gunic) on "the chetniks' desperate efforts to regain lost positions on the Kupres battlefield. Fighters of the 7th Corps of the Army of Bosnia-Herzegovina led by Brigadier General Mehmed Alagic are successfully withstanding the chetnik assaults and launching a counteroffensive. The Serbo-Montenegrin aggressor is uninhibitedly bringing huge military power to the Kupres battlefield. There are no civilians in Kupres. They have (?fled to) Sipovo, although parts of the municipality are already under the control of the Army of Bosnia-Herzegovina. Civilians of Donji Vakuf have also been fleeing. Since last night, due to the catastrophe they have been going through on this

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battlefield, the chetniks have been shelling Bugojno. The town is literally being showered with (R-65) surface-to surface missiles, which have been banned by international conventions. Huge material damage has been caused so far, but fortunately there have been no casualties. A permanent general danger alarm is in force in the town."

Izudin Durakovic reports that "a general danger alarm has been in force in Gracanica since this morning" adding that "for no reason, the chetniks started a fierce artillery attack on the defense lines of the 111th [word indistinct] Brigade and populated places. Using 155-mm howitzers from the direction of (Gacka), the chetniks pounded [name indistinct]. Guns from (Grcica Brdo) and (?42-mm) mortars from the direction of (Hrtkovac) fired on the Gracanica industrial zone, recoilless guns from [passage indistinct]. There are still no data on casualties, but the material damage is great."

"On the Doboj battlefield, there are constant enemy provocations from infantry weapons, and snipers are particularly active, targeting the (?Doboj)-Tuzla Road and the villages [words indistinct]. The chetniks are firing on Lukavica Rijeka with antiaircraft weapons from (Tiganica) and (Tekucica)."

A report by the Information Service of the 107th Chivalrous Brigade of Gradacac reports on "occasionally strong mortar fire on our defense lines from Ledenice and (Camotice)" and "chetnik snipers, who are very active, albeit without any consequences so far."

Croats Approach From South

LD0211181594 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 2 Nov 94

[FBIS Translated Text] Croatian Defense Council [HVO] units are advancing in their battles against the Serb occupation forces on the southern approaches to Kupres. Here is a report from Zdenko Vranjes:

[Vranjes] There are still no fresh official details about today's fighting. As we reported earlier, following a Serb artillery attack on civilian targets in Suica, the HVO began a heavy combined artillery and infantry counter-attack in which during yesterday it broke through most of the front lines that the Serb forces set up in June 1992 during the occupation of the Kupres region. After penetrating the positions of the Serb forces some 10 km south of Kupres, the way toward Kupres itself and to Croatian villages in the western part of the Kupres municipality lay open to the HVO. In a lightning advance from the direction of Tomislavgrad and Livno the HVO seized the (Ravasnjica) mountain and Ravanjska Vrata, liberating the Tomislavgrad-Rama road.

According to a statement from the Information Office of the Political Administration of the Ministry of Defense of the Croatian republic of Herceg-Bosna, the HVO units also liberated several villages and heights on the Kupres plateau, in Vukovsko Polje, and Vukovsko, after which they began to tighten their stranglehold around the strong concentrations of Serb forces in the villages of Donji Malovan and Zamaglina. The Political Administration reports that the military positions of the Serb forces have been largely dispersed and that there is panic among the Serb units, particularly those that are surrounded.

According to this morning's report from the Political Administration of the Ministry of Defence, the HVO destroyed two Serb tanks and two armored personnel carriers, captured one tank, and inflicted losses of manpower on the Serb forces during the fighting. As a result of the fighting around Kupres, a general alert is in force around Tomislavgrad and Livno.

Karadzic Notes 'Problems'

LD0211200294 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1630 GMT 2 Nov 94

[FBIS Translated Text] Radovan Karadzic, president of the Srpska republic, has said in a statement to SRNA that the latest Muslim offensives on the Bihac and Sarajevo battlefields are largely the result of the economic, political, and information blockade that was introduced against the Serbs [words indistinct] by the Federal Republic of Yugoslavia. It is certain that our opponents both in the world and in the former Yugoslav lands are counting on our being weaker as a result of the embargo imposed against the Srpska republic by the Federal Republic of Yugoslavia, President Karadzic noted. According to him, if there had been no embargo, the Contact Group plan would already have fallen through and there would have been [words indistinct] improvement [words indistinct].

All those who are in favor of the plan expect that we will be weakened by the embargo to the extent that we will simply have to accept it, however we will not accept the plan as it stands now, nor does anyone have the right to accept it following the referendum, President Karadzic said.

Assessing the situation on the Bihac-Krupa battlefield as consolidated, the president of the Srpska republic noted that in the Kupres region there are still a number of problems, particularly since units of the Croatian Defense Council are joining the Muslim offensives against Kupres from the direction of Duvno. According to Karadzic, in the offensive in the Kupres and Bihac regions the Muslims have suffered incredible losses in manpower because, he said, they have fallen into a trap from which the military and strategic viewpoint there is no way out.

Turning to the extraordinary session of the Assembly of the Serbian Orthodox Church taking place in Banja Luka, the president of the Srpska republic said that the Serbian Orthodox Church had never abandoned the Serb people and had never accepted any divisions.

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Serbs Flee in 'Panic'

LD0311112394 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 3 Nov 94

[FBIS Translated Text] In the Kupres theater of war Serb forces are continuing to withdraw. Today, they again lost a considerable amount of territory under their occupation. In the eastern part of the Kupres plateau, in the villages of Rilic, Vukovsko, and others, Serb forces have been encircled by forces of the Croat Defense Council [HVO]. In the course of today, the chetniks have lost the important elevations of Kamenita Glava and Runjavi Vrh. They are also suffering heavy losses in personnel and equipment. Driven by panic, they are fleeing the front line in the direction of Kupres and Sipovo. HVO Forces have so far liberated 251 square kilometers of occupied territory.

This morning, yet another enemy tank was captured. A large number of enemy soldiers have been taken prisoner, the Defense Ministry of the Croat republic of Herceg-Bosna says in its morning statement.

Serbs Fire Mortars, Rifle Grenades at Sarajevo

AU0311095994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 3 Nov 94

[FBIS Translated Text] The Bosnia-Herzegovina Army 1st Corps Information Service reports that the [Serbian] aggressor yesterday fired three mortar shells and six rifle grenades at the region of (?Vis) and one rifle grenade at the region of Vrbanja Most [Sarajevo suburb]. One person was killed in Skenderija [central Sarajevo] by sniper fire from enemy positions.

UNPROFOR Reports Heavy Fighting in Northwest

AU0211150394 Paris AFP in English 0901 GMT 2 Nov 94

[FBIS Transcribed Text] Sarajevo, Nov 2 (AFP)—Heavy fighting continued in northwest Bosnia Wednesday, with much of the action taking place around the town of Bosanska Krupa, a UN Protection Force [UNPROFOR] spokesman said here.

In Sarajevo, a Ukrainian soldier serving with the UN was found dead early Wednesday near a Serb-weapons collection point at Ilidza. There were no immediate details on the cause of death, UNPROFOR Major Herve Gourmelon said.

The Bosnian government and separatist Serbs have each claimed military successes, with government forces saying they had taken some 50 square kilometres (20 square miles) of territory southeast of Sarajevo over the past four days.

At least five Bosnian government soldiers were killed in an infantry assault Tuesday afternoon north on the Serb-held town of Bosanska Krupa which Moslem forces are attempting to seize, Gourmelon said. And heavy mortar and artillery exchanges continued further north around Otoka.

There was heavy shelling of the Moslem-held locality of Miostrah, and at least nine shells, fired from neighbouring Croatia's Serb-held Krajina region, fell on the town of Velika Kladusa Tuesday, wounding one child.

North of Bosanska Krupa, a UN Bangladeshi unit was temporarily forced to withdraw after four shells norrowly missed its observation post.

In the north of the country, there was heavy Serb shelling overnight of the Gradacac sector, along with fighting near Doboj. No details were released.

Questioned about the current upsurge in fighting in Bosnia and the latest Bosnian Moslem counter-offensive, British Defence Secretary Malcolm Rifkind stressed in Washington Tuesday there was no evidence that any of the factions could achieve a fundamental change of position by escalating the fighting.

The Bosnian Serbs have rejected a proposed peace plan put forward by the contact group—Britain, France, Germany, Russia and the United States.

Serb Army Preparing To 'Liberate' Bihac Pocket

LD0211132994 Belgrade TANJUG Domestic Service in Serbo-Croatian 1235 GMT 2 Nov 94

[FBIS Translated Excerpt] Banja Luka, Bileca, Doboj, Brcko, 2 Nov (TANJUG)—Units of the army of the Srpska republic today started carrying out the final stage of operations to liberate the Bihac pocket, the 2d Krajina Corps said today.

In its statement, the 2d Krajina Corps says that fierce battles were fought yesterday against units of the 5th Muslim Corps for the liberation of the Serbian villages in the upper reaches of the Una River. During these operations, units of the army of the Srpska republic entered Spasovo, a village controlled by the Srpska army until the start of the Muslim offensive.

According to the same source, the situation on the Kupres plateau is stabilizing, altough it has been reported that the Croatian Defence Council [HVO] is still amassing forces and combat equipment along the demarcation line.

According to the report, offensive operations on the part of Muslim forces are expected to take place from the direction of Bugojno, while Croatian forces are expected to operate from the direction of Sujica, Tomislavgrad, and Livno.

A TANJUG correspondent has learned from well-informed sources within the army of the Srpska republic that two brigades of the Croatian regular Army—the 114th Brigade of the Croatian Army from Omis and the

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4th Guards Brigade from Split—took part in yesterday's joint operations of the Bosnian Croats and the Muslims.

According to available reports, Croatian President Franjo Tudjman has endorsed the deployment of Croatian Army units on the basis of an agreement reached with Muslim leader Alija Izetbegovic a few months ago. [passage omitted]

Battles Under Way as 5th Corps Advances

AU0311110494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 3 Nov 94

[Mirza Sadikovic report from Bihac]

[FBIS Translated Text] Over the last 24 hours the Serbian-Montenegrin aggressor from the UN Protected Areas in Croatia, that is, the so-called Serb autonomous province of Krajina, has continued to attack the free territory of the Bihac commune.

Last night and this morning, the attacks have been concentrated on the newly liberated areas in the Bosanska Krupa Commune, while the center of Velika Kladusa has been pounded by the chetnik artillery, where five people—two of them children—have been wounded, and one person killed.

Throughout the night the residential areas in the Cazin and Bihac municipalities came under fire. [word indistinct] where they are amassing upon arrival from Knin. This has been confirmed by captured Kninjas [nickname for Knin Serbs], that is, captured chetniks at 5th Corps Command.

As for the other parts of the front, particularly in Bosanska Otoka and Bosanska Krupa, the chetniks have been attacking incessantly, and fierce artillery and infantry battles are under way. However, the 5th Corps is scoring new successes and expanding the free territory on a daily basis. All the newly established defense lines are firm and stable.

The civil authorities of the Bihac Commune have again lodged a protest with the UN Protection Force over the continued attacks from the so-called Serb autonomous province of Krajina at this UN protected zone [word indistinct] the local population held a protest rally in (Vojnic), demanding a halt to the cooperation with Fikret Abdic.

Army Repulses Serb Attacks on Tesanj Front

AU0311115094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 3 Oct 94

[Report by Mirudin Aldobasic from Tesanj]

[FBIS Translated Text] One woman suffered serious injuries, and dozens were slightly injured in last night's shelling. The enemy's heavy artillery targeted Tesanj town center, and Kalosevici, Mrkotic, Jelah, and other villages.

Early this morning, the Teslic chetniks launched several quite heavy infantry attacks in the region of (?Herceg) and (?Obloge). Units of the 207th Glorious Hill Jelah Brigade and the 202d Chivalrous Hill Tesanj Brigade successfully repulsed these attacks, inflicting heavy losses on the enemy in men and equipment.

Also this morning, the aggressor launched heavy attacks in the region of (?Prelina) and Husari, but without any success.

'Prolonged Absence' of Mladic Raises Questions

AU0211190494 Paris AFP in English 1846 GMT 2 Nov 94

[FBIS Transcribed Text] Zagreb, Nov 2 (AFP)—With Bosnian Serb forces on the defensive for virtually the first time in 30 months of conflict, the prolonged absence of the Serb strongman General Ratko Mladic was raising questions in Belgrade, Sarajevo and Zagreb.

Mladic, the driving force behind the Serb separatist campaign in Bosnia-Herzegovina, has disappeared from Bosnian Serb television, monitored here, and has been absent from Serb contact meetings with UN officers.

UN Protection Forces [UNPROFOR] spokesman in Sarajevo Lieutenant-Colonel Tim Spicer said Mladic had not been seen "for about 10 days."

The role of rallying the troops in northwestern Bosnia, where Serb forces have been forced out of some 250 square kilometres (100 square miles) of territory, has fallen to Radovan Karadzic, "president" of the self-declared Srpska republic and "supreme commander" of its armed forces.

Karadzic appeared for the first time in army fatigues this week, addressing Serb fighters at Bosanski Petrovac where they had fallen back before the Bosnian army offensive.

An UNPROFOR representative in Zagreb, speaking off the record, said he had been told in Pale, the Serb stronghold east of Sarajevo, that Mladic had "gone on holiday for the first time since the start of the conflict."

He said he would be "bound to hear of it" if the general had been sacked.

But Bosnian Vice President Ejup Ganic, visiting Zagreb on Tuesday, told reporters he had heard that Mladic had been dismissed.

In Belgrade, Mladic has not appeared on television since September 23 when he threatened UNPROFOR and NATO with reprisals after airstrikes were launched at a Serb tank outside Sarajevo.

Mladic had maintained a cautious balancing act in the bitter dispute between Karadzic and his former mentor in Belgrade, Serbian President Slobodan Milosevic, over

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an international peace plan for Bosnia that would require the Serbs to give up around one third of the territory they hold.

Until recently the most uncompromising of the Bosnian Serb leaders in pursuit of their separatist campaign, Mladic said in early October he would be prepared to negotiate a "total and definitive end to hostilities."

Mladic has allowed himself lengthy absences of leave before, notably after his daughter's suicide in Belgrade earlier this year.

Rumours last summer that he had been wounded, or even killed, in fighting in the Bihac enclave during a Bosnian offensive that forced out the maverick Moslem leader there, Fikret Abdic, proved unfounded when he reappeared after a period of absence.

Born in Herzegovina, Mladic previously headed separatist Serb forces in the Krajina region of Croatia in their six-month war with Zagreb.

Transferred to Bosnia in 1992, his first priority was to secure the Kupres plateau, which overlooks a vital north-south land link and commands routes leading from northern Bosnia to the Adriatic coast. He went on to mastermind the Serb campaign securing supply lines across northern Bosnia, and oversaw the two-year bombardment of the civilian population of Sarajevo.

His associates have described him as "a man who knows he has no alternative between going down in history as the most brilliant of Serb generals or being judged as a war criminal."

Mladic figured prominently on a list drawn up by the U.S. State Department in 1992 of leaders in former Yugoslavia accused of war crimes.

UN leaders in Sarajevo have acknowledged his ability as a military strategist, describing him as a coarse but affable man liable to abrupt bursts of anger timed to turn a discussion to his advantage.

Karadzic Ready for 'Complete Defeat' of Muslims

LD0211231494 Zagreb HTV Television in Serbo-Croatian 2140 GMT 2 Nov 94

[Statement by Radovan Karadzic, president of the Srpska republic in Bosnia-Herzegovina; place and date not given; rebroadcast from Pale Srpski Radio-Televizija Studio Television in Serbo-Croatian report]

[FBIS Translated Text] [Karadzic] The Muslims had certain successes in some areas, more because of some weaknesses in organization on our part and less because of their abilities. However, all this will be transformed into a tactical advantage for us and they will regret having taken the war option. We must inform the international community about what is happening over here, and we must tell the United Nations that, if they side with our enemy, cooperation with us will not be possible. The United States is siding completely with our enemy and approving its aggressive attacks on our territory. Safe areas are not respected. They have been turned into enemy strongholds. Exclusions zones are not respected, neither is the demilitarized zone on Mount Igman. The territory that we handed over to the United Nations was seized by the Muslim Army, which is attacking us from there. We must make it clear to the United Nations that we will never ever and not under any circumstances hand over any territory to them, because it is not capable of fulfilling its task. Some of the UN bosses—since the United States would like to be the UN's boss—have a positive effect on the morale and combat readiness of our enemies.

We will most likely turn over a new leaf and embark on the complete defeat of the Muslims. We have the means for it. The international community will have to accept it, because this war must end either by political or by military means. Since the Muslims have chosen the military means it is most likely that it will done by military means.

1st Corps Commander Details Recent Operations

AU0311095394 Sarajevo VECERNJE NOVINE in Serbo-Croatian 26 Oct 94 pp 4-5

[Interview with Brigadier General Vahid Karavelic, commander of the 1st Corps of the Bosnia-Herzegovina Army, by Vildana Selimbegovic; place and date not given: "Mt. Cemer Is the Chetniks' Nightmare"]

[FBIS Translated Text] [Selimbegovic] Over the past few months, the Bosnia-Herzegovina Army has had a large series of successes. At the beginning of August, the 1st Corps liberated a large part of the Nisici heights, that is, the Crna Rijeka heights, and a while ago the Treskavica plateau was also liberated. Have the lines thus established since changed?

[Karavelic] The [Serbian] aggressor has not managed to move our fighters' positions a single meter. Up to the end of August, he was trying to regain the lost territories on the Nisici heights through constant offensive operations, but it was all in vain.

After losing all the battles in this region, the chetniks then moved the focus of the fighting to Mt. Cemer, amassing large numbers of troops and weapons there. This mountain is the key location in this area, located between Semizovac, Srednje, and Olovo on one side and Ilijas, Vares, and Breza on the other. It is entirely within the exclusion zone, that is, the 20 km defined by the NATO ultimatum. In fact, we did not expect such serious chetnik attacks there. I must admit, though, that this was a wrong assessment. We expected UNPROFOR [UN Protection Forces] to do its job and not to allow the lines to change and such quantities of arms of more than 12.7 mm to be deployed within the exclusion zone. Our mistake was to rely on UNPROFOR too much.

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[Selimbegovic] So did that mean that the chetniks made an advance on Mt. Cemer?

[Karavelic] Until a few days ago, when their offensive was definitively crushed, they had been targeting this region and had achieved some minor successes. Every single one of those 40 days was hell. Artillery and infantry attacks followed one upon the other, and they had more than 30 artillery pieces of over 100 mm. On the plateau above Ravni Nabozic, above Semizovac, at Velika Motka, Mala Motka, and the village of Medojevici, the aggressor amassed 15 tanks, five or six armored cars, a "Praga" [gun mounted on a vehicle], multiple rocket launchers, and howitzers. All of these were deployed on the other side of the road above Srednje and were operational throughout. But even with such a concentration of weapons, they achieved only a minor gain toward Semizovac, that is, Ilijas.

The first advance that they made was on 19 September in the zone of operations of a company belonging to the Croatian King Tvrtko Brigade. However, our troops were then reinforced.

[Selimbegovic] Mladic [Bosnian Serb military commander] announced that the Mt. Cemer would be a decisive battle.

[Karavelic] They wanted to cut the Visoko-Breza-Olovo-Tuzla road. They made a certain amount of minor progress and we suffered some losses on Mosevacko Hill. However, we regained the positions lost through a swift and well organized counterattack. The chetniks prepared their offensive carefully, using all their elite units, from Zvornik to Prijedor, and organizing their rotation in such a way that they would remain in the field for only 48 hours and would not meet one another during the rotations and thus could not speak about the real situation in the field. They suffered considerable losses in manpower and military equipment and their morale suffered particularly when we regained the the lost positions.

The last two chetniks removed from Mosevacko Hill were Russians. However, we have long known about their involvement on the aggressor's side. What is important is that on 15 October at 1645, we again planted our flag with the fleurs-de-lys on Mosevacko Hill. The chetnik offensive was thereby crushed and we will be able to respond to any new attacks.

[Selimbegovic] At the beginning of October, the fighters of the 1st Corps reached Mt. Treskavica. Is this region part of the exclusion zone?

[Karavelic] Not a single meter of it. The liberated region consists of two-thirds of Mt. Treskavica including the Poljice Saddle, the key point between the Treskavica and Bjelasnica mountains. A chetnik Guard Brigade from Kalinovik was destroyed there, with eight chetniks captured and another 30 whom we buried on the Treskavica plateau, but it is estimated that more than 100 aggressor soldiers were liquidated. We seized substantial quantities of ammunition and weapons, including even some vehicles. All the positions gained remain under our control.

[Selimbegovic] The 1st Corps is also located in the Mt. Igman region but UNPROFOR wants it to withdraw from there.

[Karavelic] UNPROFOR is taking the chetnik side completely. The events on Mt. Cemer prove this. Now that we control the chetniks' Lukavica-Trnovo Road, and the chetniks are operating along the Igman Road, which is protected under the NATO ultimatum, UNPROFOR demands that we withdraw and fails to react when chetniks shoot at the Igman Road. UNPROFOR meets any chetnik requests at any cost and defers ours without offering any clear stands or deadlines.

[Selimbegovic] We have nearly completed the first year of combating organized crime in Sarajevo. The leading criminal Caco is no longer alive, but are there any military units out of control?

[Karavelic] Within the 1st Corps there is not a single unit or individual outside the command and control system, outside the system of military hierarchy. The 1st Corps, just like all the other corps, is under the command of the General Staff and the Presidency, that is, the president of the Presidency of the Republic of Bosnia-Herzegovina. There is no dilemma there.

[Selimbegovic] Has the army, as an organized whole, kept itself out of the public eye in any way?

[Karavelic] The army does not want to be a taboo topic. It is simply an institution of the system, somewhat more specific, it is true, since the state is at war. However, strictly military matters, things numbered among top military secrets, certainly cannot be accessible to anybody outside the institution. Everything else is subject to public scrutiny and public opinion.

[Selimbegovic] What the public is certainly interested in is the end of the war.

[Karavelic] I cannot see any prospects of this. The end of war can come about in two ways: through military victory or a political solution. As the international community is deliberately helping the chetniks and will do everything with a view to protecting them and combining a political solution to the war with the situation in the field, I am a little pessimistic. However, I know that whenever we exert pressure on the chetniks, they themselves offer to talk. This happened recently on Mt. Treskavica, when after just 24 hours, during which we made considerable advances, Mladic urgently visited Trnovo with a proposal for a meeting with our commander General Delic and the HVO [Croatian Defense Council] commander. Therefore, our victories, the victories of the Army of Bosnia-Herzegovina, most directly affect the chetniks' readiness to talk.

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[Selimbegovic] Where does UNPROFOR stand in this?

[Karavelic] At the side of the chetniks. Resolutions say one thing but UNPROFOR in the field receives completely different instructions, all with a view to protecting the chetniks as much as possible. The best example is Spicasta Stijena. When we recently did what we had to do, demands immediately followed that we should withdraw or get bombs on our heads. So, we had to withdraw, although it was known that since the NATO ultimatum was imposed, 48 people have been killed [by Serbian snipers] from Spicasta Stijena.

[Selimbegovic] How is the Sarajevo blockade going to be lifted?

[Karavelic] If the blockade has to be lifted militarily, then if not from inside, then it should be done from outside, by encircling the circle. By improving our overall logistics, we can and must lift the Sarajevo blockade.

UN Spokesman Criticizes Serb Actions

AU0211142294 Paris AFP in English 1407 GMT 2 Nov 94

[FBIS Transcribed Text] Sarajevo, Nov 2 (AFP)—A top UN official Wednesday [2 November] held talks with Bosnian Serb leaders in a bid to obtain the release of two Moslem doctors snatched from under the protection of United Nations troops.

UN civil affairs coordinator for Bosnia, Viktor Andreyev, would also call for the lifting of restrictions placed by the Serbs on the movement of humanitarian aid, including fuel, through their territory, UN spokesman Thant Myint-U said.

The fate of the two Moslem doctors from Sarajevo was still not known, the spokesman said.

They were seized while travelling to the besieged eastern enclave of Gorazde a week ago. At the time they had been under the protection of British UN soldiers and had been issued clearances by the Serbs.

"Even their physical safety cannot at this time be confirmed," Myint-U said, adding that no one had been allowed to see them.

The UN was calling for their "immediate and unconditional release."

Andreyev was having talks on the two issues notably with Bosnian Serb "vice president" Nikola Koljevic in the nearby Serb stronghold of Pale.

Myint-U also complained about the Serbs' refusal to approve an emergency medical evacuation of two patients from Gorazde, in the east of the country, saying that without this one of the patients would almost certainly die.

Bosnian Serbs refuse to allow the UN Protection Force overfly the territory they control and they require that every convoy crossing their territory be given specific authorisation.

On Monday, they allowed the United Nations to truck in a total of 61 tonnes of fuel to the Goradze and Srebrenica enclaves, a small let-up in their near total blockade of UN fuel convoys which has gone on for over a month.

The Bosnian Serb leadership has repeatedly assured the United Nations it would allow free movement of aid and fuel convoys, but has just as repeatedly reneged on its promises.

This, Myint-U said, only served to further underline "a mendacious nature on the part of the Bosnian Serb authorities, wholly inappropriate to their playing a positive role towards the search for peace in this country."

Norwegian UNPROFOR Soldier Dies in Accident

AU0311094194 Paris AFP in English 0846 GMT 3 Nov 94

[FBIS Transcribed Text] Sarajevo, Nov 3 (AFP)—One Norwegian soldier serving with the United Nations in Bosnia-Herzegovina was killed and another seriously injured when their vehicle crashed overnight Wednesday to Thursday, a UN spokesman said here.

The accident, involving a vehicle from the Norwegian logistics battalion, occurred some 10 kilometers (about six miles) north of Mostar, in the south of the country.

The reasons for the accident were not immediately known.

Presidency Member Calls For Release of Doctors

AU0211175894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Nov 94

[FBIS Translated Text] Tatjana Ljujic-Mijatovic, member of the Presidency of the Republic of Bosnia-Herzegovina, today received Viktor Andreyev, head of the UNPROFOR [UN Protection Forces] Civilian Sector for Bosnia-Herzegovina. They discussed the problems caused by the aggressor's efforts to (?prevent) delivery of the humanitarian aid and [word indistinct].

Tatjana Ljujic-Mijatovic pointed out that medicines and equipment meant for Sarajevo hospitals that the aggressor recently stole must be delivered to their intended recipients—Sarajevo citizens. During the meeting, the current situation regarding the medical staff who were arrested while transferring to Gorazde was also discussed. Tatjana Ljujic-Mijatovic said that our doctors should be released as soon as possible. Andreyev pointed out that such behavior on the part of the aggressor is unacceptable and cannot be excused by any [word indistinct].

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Silajdzic, Turkish Envoy Discuss Federation

AU0211183394 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Nov 94

[FBIS Translated Text] Haris Silajdzic, prime minister of the Republic and the Federation of Bosnia-Herzegovina, today received Sukru Tufan, ambassador of the Republic of Turkey to the Republic of Bosnia-Herzegovina. The talks discussed the initiative that the ambassadors of Turkey, the United States, and the Federal Republic of Germany should engage themselves within a (?body) that would actively contribute to the [word indistinct] of the more efficient establishment of the Federation of Bosnia-Herzegovina. The Turkish ambassador extended his (?personal) support for this initiative, about which he will inform his government.

Prime Minister Silajdzic and Ambassador Tufan also exchanged views about the activities of the Organization of Islamic Countries [ICO], particularly its meeting that is to be held in (?Rabat) in December. In this context, the need for the ICO contact group to establish cooperation with the contact group of Western countries and Russia with a view to removing the wrong (?moves) toward the Republic of Bosnia-Herzegovina was pointed out. In particular, this implies the incorrect (?moves) regarding alleviating the sanctions against Serbia, as well as the attempts to include the concept of a confederation between the Bosnian Serbs and Serbia in the Contact Group plan.

At the end of the talks, Dr. Silajdzic pointed out that he appreciates very much the help and support extended by the Government of the Republic of Turkey during these crucial times for the Republic of Bosnia-Herzegovina.

Zubak Remains Committed to Federation

AU0211155694 Belgrade NEDELJNA BORBA (Supplement) in Serbo-Croatian 29-30 Oct p 9

[Interview with Kresimir Zubak, president of the Bosnia-Herzegovina Federation, by Mladen Paunovic; place and date not given]

[FBIS Translated Text] *The process of implementing the Constitution of the Bosnia-Herzegovina Federation is moving slowly on the ground, while the passions aroused between the Bosnian Muslim and Croats have still not completely died down. The reason for this can often be found in statements by official representatives of the authorities, who always blame the other side for not implementing the Constitution. The Bosnian Muslim leaders point out the inappropriate behavior of Croats in Mostar, Stolac, Capljina, and Ljubusko, while the Croatian representatives react in the same way toward the attitude shown to the Croatian population in Vares, Zenica, and particularly Bugojno. Does this (as some people certainly desire) threaten the fate of the federation?*

[Paunovic] It seems that your, and one could say the general, initial optimism in implementing the Federation Constitution is dwindling. Namely, it can often be heard from both sides that the contents and the spirit of the Washington Agreement are in danger. Why?

[Zubak] At the time we adopted the Washington and Vienna Agreements, and ultimately the Constitution of the Federation, I advocated that we should be realistic and objective regarding the possible terms for implementing what we had agreed. My collocutors were from the other side, mainly people who lived in Sarajevo and had no experience of the situation on the ground. They were living in a media blockade either without information from areas controlled by the Croatian Defense Council [HVO] or with selective information. Therefore, these people had not experienced what we would be facing in the process of implementing the Constitution, nor were they aware of the gravity of the conflict between the HVO and the Bosnia-Herzegovina Army, and the consequences of these conflicts for both sides. This resulted in mistrust. I had the chance to experience the situation throughout the federation and that is why I urged longer terms for the implementation process, but I did not meet with understanding. The atmosphere was such that if I failed to accept the proposed terms, I was against the agreements. Yet it has turned out that they are extremely unrealistic. Instead of blaming the terms, we started blaming each other. I am certain that the federation will work, but there are bound to be more problems with the interpretation of the Constitution and its implementation. We must transcend the state of political and legal organization and work out a new federal system.

[Paunovic] The end of the armed conflicts between the HVO and the Bosnia-Herzegovina Army was considered to be the greatest achievement after the signing of the agreement. Nevertheless, incidents continue to occur and the other side is always blamed.

[Zubak] Correct. The greatest achievement is that the conflicts have ceased, and that is the best indicator of the people's disposition. It is also an achievement that conditions have been created for the regular supply of people with the basic goods necessary for survival and that trust is slowly being re- established. There have been incidents and they will continue to occur even after we establish the new system; however, they are marginal, which does not mean that we should not attach any significance to them, but they should not be viewed as the other side's unwillingness to implement the system.

[Paunovic] The position of Croats in areas controlled by the Bosnia-Herzegovina Army was discussed at the last session of the Croatian Democratic Community [HDZ] for Bosnia-Herzegovina. It was established that their position continues to deteriorate. It was concluded that "the HDZ of Bosnia-Herzegovina considers the widespread violation of the Croats' human rights and liberties in Bosnia-Herzegovina to be a systematic policy aimed at undermining the Washington Agreement, and that the HDZ would use all its political influence in the bodies and structures of the Bosnia- Herzegovina Federation and with the international protagonists to protect

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and maintain the interests of the Croats in Bosnia-Herzegovina." Please clarify these stances.

[Zubak] Since the signing of the Washington Agreement, certain things have been happening in areas controlled by the Bosnia- Herzegovina Army that—as was stated at this session—we can easily explain. It is a fact that there were many more Croats in Sarajevo, Zenica, and around Tuzla, and I do not even need to mention Bugojno. The fact that they have left shows that they were living in intolerable conditions and that they were exposed to constant pressures. On the other hand, there are reasons for Muslims moving out of the areas under our control. We have concrete information, which we shall shortly be disclosing to the public, regarding the number of Bosniak Muslims who have returned to Livno, Tomislavgrad [Duvno], Ljubuski, and Mostar. In contrast to this, we have statements of people that claim that they were exposed to pressure and that they had to leave their apartments and homes. I think that this must stop. True, the compulsory mobilization of Croats in Sarajevo, Zenica, and Tuzla has stopped, and I have the impression that this will also happen in Travnik. Bugojno remains our problem, we hope to stop the process of moving out, and all our appeals address this issue. The characteristic trend there is the filing of criminal charges against Croats. The case of Mrs. Branka Raguz is a case in point, since she has been in Bugojno all the time, and was nominated as an ombudsman from among the Croatian people. According to the Federation Constitution, this is one of the highest posts. However, when it became evident that she would be appointed, a criminal charge was filed against her and she had to flee Bugojno.

[Paunovic] The Bosniak newspaper AVAZ recently accused you of attempting to usurp the authority of the Presidency of the Republic of Bosnia-Herzegovina, and even of preparing a quiet coup. The accusation is serious, so how would you comment on it?

[Zubak] First, it is absolutely inaccurate. I have not signed any agreement on dividing Bosnia-Herzegovina. AVAZ is well aware who signed such documents. Everything that I demanded of the Constituent Assembly is absolutely in line with the Federation Constitution. The Constitution is clear—once the authorities of the federation are established, the institutions of the Bosnia-Herzegovina authorities cannot interfere with their jurisdiction. The Croatian position is well known—the Croats favor Bosnia-Herzegovina in the territorial sense, but they oppose the Republic of Bosnia-Herzegovina as a unitary state of the civic type. The present institutions were constituted on this principle, which we do not accept. Finally, had we changed our minds, we would not have gone to Washington to sign the agreements. We can only survive as a complex state community, not a unitary one. The sooner the representatives of the Bosniak Muslim people realize this, the sooner we shall achieve peace and re-establish Bosnia-Herzegovina as a community of three constituent nations.

[Paunovic] According to the Constitution of the Bosnia-Herzegovina Federation, you are the head of state. However, judging by who is really making the decisions, one does not feel that you really are the head of state.

[Zubak] You see, the federation has still not begun functioning. To be honest, the areas controlled by the Bosnia-Herzegovina Army are governed by the Presidency of the republic, while those controlled by the HVO are governed by the Presidential Council headed by me. That is the true state of affairs. The federation will begin functioning once it is organized from top to bottom. In the federation we currently have a president, a vice president, a government, and one constituted canton—in Tuzla. That is the real reason I am not functioning as head of state, in the region of Bugojo, for example, which is controlled by the Bosnia-Herzegovina Army, and where I have no authority whatsoever.

[Paunovic] The Constituent Assembly of the Bosnia-Herzegovina Federation is scheduled for November. It is interesting to note that the last session was held four months ago; might someone fear the Assembly session and what can we expect from it?

[Zubak] I do not think that anyone fears it, but this supports something that I have been claiming from the very start—a political agreement is needed for many things. The government is now preparing a package of laws in all spheres, and each of the laws should regulate controversial issues from the point of profession, rights, or politics. There is no point in scheduling an assembly session if at least some of the laws that constitute the basis for establishing the federation are not prepared for it. This is the reason for the delay and it should not worry us in itself because we are only now beginning to function on a democratic principle, when there is no longer an authority that would simply impose a solution, and we have to coordinate positions on every issue. I do not expect anything spectacular to happen at the Constituent Assembly, for example, the passing of the law on defense.

[Paunovic] It is evident that you favor the federation. Nevertheless, how will the implementation of the Constitution progress, and is the federation the only perspective for the joint existence of the Bosniak Muslims, the Croats, and, in due course, the Serbs in the region?

[Zubak] The process will progress, but with lots of problems. However, these problems should not tempt us to start questioning the entire project. The process will progress, but not quickly. There is no alternative. Actually, the only alternative is a new war. I do not think that I will be misunderstood if I say that in this phase the attitude of the representatives of the Bosniak Muslim people toward the federation is crucial. If they are honest, consistent, and principled in interpreting and implementing the Constitution, I believe that this will be the best signal not only to the Croats but also to the Serbs that it is possible to live in one state that has been

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constituted in such a way that no one in it feels threatened, and that the state's institutions cannot impose their solutions contrary to the interests of any one of the three nations. The chances will be greater if the sides in the federation stop "scoring points for the other side," such as those involving bans on pork, alcoholic beverages, and mixed marriages, which can only be damaging for us, both at home and throughout the world.

SDP Officials Discuss 'Bosnia's Friends'

AU0211211394 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Nov 94

[Report by Mehmedalija Sisic]

[FBIS Translated Text] The Social-Democratic Party [SDP] of Bosnia-Herzegovina held a regular news conference in Sarajevo today at which party Vice Chairman Zlatko Lagumdzija and Presidium member Esad Zgoric expressed party views about some current political issues. Mehmedalija Sisic has the details:

[Sisic] At the beginning, the hosts at the news conference conveyed cordial congratulations to members of the Army of Bosnia-Herzegovina for achieving extraordinary results every day in liberating the country. Zlatko Lagumdzija pointed out in particular that after our fighters' successes, the so-called neutrality of London, Paris, and Moscow regarding the aggression on Bosnia has been uncloaked. Representatives of France, Russia, and England demand that all possible means be used against the Army that has been liberating the country instead of against a definite aggressor on the sovereign Bosnia-Herzegovina.

Therefore, we expect the countries who showed themselves to be Bosnia's friends to bring a new [word indistinct] and play an even more active role. These countries are the United States, Germany, and Turkey.

Zlatko Lagumdzija then spoke about further efforts on constituting the Federation, particularly in the field. On that occasion he commented on the seven-point joint announcement issued by the Party of Democratic Action and the Croatian Democratic Community. We have nothing against parties discussing important issues, but one cannot accept agreements that may result in eliminating parliamentary parties and even state bodies that they [word indistinct], Lagumdzija said. The constitution of municipalities should be continuous and not in individual cases.

Esad Zgoric, member of the SDP Presidium, expressed party views about some stands that have lately been unrealistically presenting the relations between the Republic and the Federation. [word indistinct] is interpreted and related to as if they are pitted against each other, as if they exclude each other, which is not true. This party's stand is that the Federation is only a transient form on the way to the final setup of Bosnia-Herzegovina as a whole and internationally recognized state in the existing borders, Zgoric pointed out.

Mail Deliveries Established in Sarajevo

AU0211213094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Nov 94

[FBIS Translated Text] Mail deliveries were established on the territory of the Federation of Bosnia-Herzegovina yesterday. Citizens may send regular and registered letters weighing upto 20 grams, as well as postcards, from all Sarajevo post offices to all post offices on the free territory of the Federation of Bosnia-Herzegovina. Post offices will charge the transport of this category of mail according to the currently valid price list for mail services in the internal mail system, BH Press has learned.

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Delegation, Negotiators Leave for Talks in Knin

LD0311105894 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 3 Nov 94

[FBIS Translated Text] Talks will continue in Knin today between representatives of the Republic of Croatia and representatives of the rebel Serbs. They will discuss the reintegration of Croatia's occupied areas. The Croatian state delegation and co-chairmen Owen and Stoltenberg left Split Airport earlier today for Knin aboard a UN helicopter. The Croatia state delegation is headed by Ivic Pasalic, Hrvoje Sarinic, and General Petar Stipetic. They are expected to return later today. Prior to his departure from Split Airport, Hrvoje Sarnic told Croatian Radio:

[Begin Sarinic recording] We are setting off with a clear commitment to insist that there should no longer be any delays in reaching an agreement. We have to find out if the other side is willing to take part in reaching a specific agreement. In this context we are going to set [word indistinct] deadlines. We will no longer tolerate any kind of delay. If the other side is really ready for an agreement, we are flexible in our ways of approaching the problem. As far as the key points are concerned, however, we are going to be firm and explicit. [end recording]

Mikelic Views Talks

AU0211171894 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 2 Nov 94

["Excerpt" from interview with Krajina Prime Minister Borislav Mikelic for Belgrade Radio "prior" to Croatia-Krajina negotiations on economic issues on 3 November, place and date not given—recorded]

[FBIS Translated Text] [Mikelic] I think that the part of our discussion on economic issues will be on the upward path, that, considering that we are a civilized nation, the economic sanctions on the Federal Republic of Yugoslavia will gradually disappear in the meantime, and that Yugoslavia will find itself in a position in which it will become open to the outside world to a much greater extent than has been the case in the last two and a half years. I think that this part of the talks on economic issues will point out that the territory on which the republic of Serbian Krajina is situated should be viewed in terms of how it is going to live with Europe.

This means that we have to proceed from these elements; from the fact that we are indeed a civilized nation, that we need to communicate with Europe and the world, and that the economy is one of the essential elements of this communication, since one needs to live and work, one needs to live from work. The war has done its part. Much damage has probably been sustained throughout the former Yugoslavia. For these reasons, I think that we will certainly achieve an enviable result in the negotiations regarding economic matters.

What is this result really going to be? I think that the time ahead will show to what extent all of us are going to be tolerant and to what extent we will turn to only economic matters, without the presence of political issues, since they can adversely affect the future of the talks on economic issues.

Regarding a political solution, I will say again, you know, this is a long-lasting process. You saw, for instance, what Kinkel himself said. He said that Germany had to wait 50 years for the unification of the Germans. Germans lived in both Germanies. In our case, we are talking about the Croats and Serbs. We are talking about a Croat state and the republic of Serbian Krajina, where Serbs live. This means that this is much more difficult, considerably more difficult, and more complex.

So, the talks on political issues do not mean that we are near a political solution. I think that finding a political solution will be a long process, unless, of course, the international community realizes that this right belongs to the Serbs; that the plebiscite should be the finale, that the Serbs should indeed be allowed to make decisions themselves, and that Europe and the world should accept that this is an inevitability of such a concrete step. We would then continue to work on our fate in the way we think we should.

Rules Out 'Reintegration'

AU0211203994 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 2 Nov 94

["Excerpt" from an interview with republic of Serbian Krajina Prime Minister Borislav Mikelic by unidentified Belgrade radio correspondent; place and date not given—recorded]

[FBIS Translated Text] The determination of the people in the republic of Serbian Krajina [RSK]—regardless of the leadership that will attend the talks—is that there will no longer be any reintegration with Croatia and that the Serbian people in the RSK are entitled to self-determination, that is, to their sovereignty and the future mutual creation of the republican alliance of the Serbian lands, that is, of Yugoslavia, namely Serbia and Montenegro, the Srpska republic, and the RSK. This is something that the international community will definitely have to face.

The RSK is a reality now. It is a reality. It has its own army, police, authorities, organized economy. The RSK hinterland is blooming, and I believe that this shows on the ground. Our absence has been four years, that is, since we were last part of the federal unit of Croatia. We must depart from the premise that only Yugoslavia was internationally recognized and that Yugoslavia had federal units within its internationally recognized borders, among which was also Croatia. Yugoslavia is gone and the federal unit of Croatia has encountered the same fate, namely, the Serbs have preserved the territory of Krajina where they had been absolutely dominant in all of its parts because this was their ethnic territory. By omitting the Serbs as a constituent nation from the

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Constitution at the end of 1990, the Croats pushed the Serbian issue to the limits. The proof of this is that more than 300,000 Serbs left this present Croatia and arrived in FRY [Federal Republic of Yugoslavia]; that 129,000 arrived on RSK territory; that approximately 60,000 went to work abroad in Austria, Germany, and Switzerland; that more than 60,000 changed their names and surnames; that the Serbs continue to be treated incorrectly. I mean, just look at evictions from apartments, we see that they continue to leave the Republic of Croatia. All this does not give them the right to... if we were to sum it all up—I just must sum it up—if any Croats left the RSK during the fighting that took place there, then this number was actually 1 to 6, therefore, many more Serbs left the Republic of Croatia for other territories than Croats have left the RSK territories.

Tudjman's Office Protests Cemetery Attacks

LD0211164294 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 2 Nov 94

[FBIS Translated Text] We have just received a statement from the office of the president of the Republic of Croatia that President of the Republic of Croatia Franjo Tudjman convened the 52d session of the Presidential Council of Defense and National Security in the presidential palace. Internal and foreign policy matters were discussed. Following a debate the council concluded:

At the next round of negotiations in Knin and Zagreb, representatives of the Croatian authorities will consistently present Croatia's stands and specific deadlines for resolving individual issues. The council protested in the sharpest terms the murder of refugee Milan Crnac, who was going to visit his mother's grave in Canak. The council protests and condemns the fact that Croatian refugees were not allowed to visit cemeteries despite an initially positive reply. Croatia will carry on with activities aimed at consistently presenting its standpoints to international factors.

The Government of the Republic of Croatia has been tasked with preparing a thorough review of the restructuring and privatization following the partially justified criticisms and a great deal of unfounded and totally groundless accusations regarding the process of privatization.

Foreign Minister Receives Saudi Minister

LD0211124594 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 2 Nov 94

[FBIS Translated Text] Mate Granic, deputy prime minister and minister for foreign affairs, has received Saudi Arabia's Minister for Islamic Affairs [Endowments and Guidance] 'Abdallah Bin-'Abd-al-Muhsin al-Turki, who is paying a two-day official visit to our country. Minister Granic informed his guest about the situation in Croatia's occupied areas and about the latest developments in Bosnia-Herzegovina. Minister al-Turki said that Croatia is the most significant factor of peace and stability and stressed that Saudi Arabia particularly appreciates Croatia's policies in Bosnia-Herzegovina and the cooperation between the Croats and Bosniaks in their attempts to restore peace in the neighboring country.

The Saudi minister invited Granic to Saudi Arabia. In the course of Granic's visit diplomatic relations between the two countries will be established. Economic cooperation and other forms of cooperation will be discussed, the Croatian Ministry for Foreign Affairs says in its statement.

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Commission Presents Final Election Results

AU0211193294 Skopje NOVA MAKEDONIJA in Macedonian 2 Nov 94 p 1

["K.C." and "Z.P."-initialed report: "109 Members of Parliament Elected Officially"]

[FBIS Translated Text] Last night, the State Electoral Commission officially revealed the names of 109 members of parliament after the first and the second parliamentary electoral rounds held on 16 and 30 October in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia]. The candidates of the Alliance for Macedonia secured 82 seats, the PDP [Party for Democratic Prosperity] eight, the LP [Liberal Party] and the independent candidates secured five seats each, the NDP [People's Democratic Party] three, and the DPM [Democratic Party of Macedonia], the PCER [Party for full-Emancipation of Romanies], the SDPM [Social Democratic Party of Macedonia], the SDSM [Social Democratic Alliance of Macedonia], the SPM [Socialist Party of Macedonia], and the DPT-PDA [Democratic Party of Turks-Party for Democratic Action]-Islamic Road secured one seat each. In the second electoral round, which was held two days ago in 101 constituencies, of the total number of voters registered in the electoral roll, 662,342 citizens voted, which is 57.54 percent. The same day, there was a repeat vote of the first round in 9 constituencies and in 23 polling stations, where, out of 9,542 registered voters, 6,541, that is 61.55 percent, went out to vote. In three constituencies in which the voting was repeated, the elections were completed, while in the remaining six, another round of voting is scheduled for 13 November.

As the president of the State Electoral Commission, Petar Najdanov, emphasized last night, after the second round, elections were annulled in four constituencies and at five polling stations. They are the following: Constituency number 44 in Kumanovo, polling station number 10; constituency number 47 in Negotino, polling station number 6; constituency 74 in Tetovo, one polling station; and in constituency 90 in Gazi Baba [Skopje] there will be repeated voting in polling stations 27 and 28. The State Electoral Commission also stated that it does not have data on the second round in only one constituency, that is constituency number 101 in Karpos [Skopje]. This means that the elections have not been completed in 11 constituencies after the first and the second rounds.

[Box, p 1]

Final Results of Presidential Elections

The State Electoral Commission gave the final results of the elections for president of the Republic of Macedonia. On 30 October, the presidential elections were repeated in 11 polling stations because of some irregularities in the first round. Of the total number of 3,558 voters that were registered in the general electoral rolls of the constituencies in which the elections were repeated, 3,012 voted, which is 84.65 percent. Of these, 2,254 voted for Kiro Gligorov, which is 63.10 percent, and 274 for Ljubisa Georgievski, which is 7.70 percent. After the repeated elections, the results of the presidential elections in 120 constituencies are as follows: Kiro Gligorov got 715,774 votes or 52.60 percent, while Ljubisa Georgievski got 197,210 votes, or 14.49 percent.

Alliance Reports 'Frightening' Events in Debar

AU0211202194 Skopje NOVA MAKEDONIJA in Macedonian 2 Nov 94 p 4

[Unattributed report on the statement issued by the Headquarters of the Alliance for Macedonia in Debar: "Pressure and Intimidation To Vote for the PDP"]

[FBIS Translated Text] Regarding the second parliamentary election round for the Macedonian Assembly, the electoral headquarters of the Alliance for Macedonia in Debar issued the following statement:

"The Alliance for Macedonia in the commune of Debar and its parliamentary candidate, Dr. Jusuf Vojnika, express their gratitude to all those that gave their votes to the Alliance and to its candidate, because each vote was a vote for truth, for progress, for democracy, for coexistence, and for Macedonia [The Former Yugoslav Republic of Macedonia].

"The PDP [Party for Democratic Prosperity] in Debar, assisted by the NDP [People's Democratic Party], the radical wing of Menduh Taci, and the DPT [Democratic Party of Turks], sensing the danger that they might lose the elections because the candidate of the Alliance was in the lead in the first electoral round with over 1,200 votes, created an extremely undemocratic atmosphere in the commune between the two rounds. They put unprecedented pressure on the citizens, particularly on Romanies, Muslim Macedonians, Turks, and some of the so-called disobedient Albanians.

"The culmination of the pressure was on the day of the elections when 200, 300, or who knows how many activists of the PDP were snapping at the heels of the voters—particularly those who they were suspicious of—exerting pressure and making threats in order to force them to vote for their candidate. The Alliance for Macedonia informed the Electoral Commission about this several times, but the Commission did not undertake any measures and made light of the importance of this.

"The events that took place in the late evening hours on the day of the elections were particularly frightening for the Macedonians and for all those that were on the side of the Alliance for Macedonia. A crowd of angry PDP members PDP occupied the streets of Debar in a totally primitive, nationalist, and chauvinist way. Shooting was going on for more than two hours, while the police remained deaf to it all. Many insulting words and slogans were shouted, particularly in front of the house of the

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Alliance for Macedonia's candidate, stones were thrown, fireworks, and so on. The Macedonians living in Debar were also disturbed because their doors were hit and broken. All this deeply hurt the dignity of these citizens and their trust in the protection of the state."

This was a part of the statement of the Electoral Headquarters of the Alliance for Macedonia.

Election Turnout, Division of Seats Assessed

AU0211200794 Skopje NOVA MAKEDONIJA in Macedonian 2 Nov 94 p 4

["L.K." and "S.Vs."-initialed report: "351,620 Citizens Voted for the Alliance for Macedonia"]

[FBIS Translated Text] According to unofficial and incomplete information—because the elections were repeated in nine constituencies and the analyses of the results in six constituencies have not been completed yet—we now know the names of the members of parliament that were elected in 11 constituencies. The majority of the votes in the second round went to the Alliance for Macedonia [The Former Yugoslav Republic of Macedonia]. Representatives of the PDP [Party for Democratic Prosperity], the NDP [People's Democratic Party], the PCERM [Party for Full-Emancipation of Romanies], the SDPM [Social Democratic Party of Macedonia], the DPM [Democratic Party of Macedonia in Tetovo], the DPT-PDA [Democratic Party of Turks-Party for Democratic Action]-Islamic Road, and seven independent candidates also won deputy seats.

The data released by the State Electoral Commission, which provides information on 99 out of the total 101 constituencies, show that 53.15 percent of the citizens used their right to vote. Compared to the 77.76 percent in the first electoral round, the abstentions are mostly due to the appeal for a boycott by the two opposition parties, which were also joined by some minor parties. Perhaps the opposition was surprised that a number of voters voted for their candidates in spite of the statements of the VMRO-DPMNE (Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] and the DP [Gosev's Democratic Party] that they would retire their representatives from parliament if they were elected.

The Alliance for Macedonia got 351,620 votes in the second round and it won 81 seats. Together with the eight seats that it won in the first round, it makes a total number of 89 deputy seats, which is nine more than the two third's majority needed in adopting laws, for instance. However, the electoral headquarters of the Alliance has already made a projection of the number of seats for each of the three parties. According to this, the SDSM [Social Democratic Alliance of Macedonia] will have 57 seats, the LP [Liberal Party] 27, and the SP [Socialist Party] five. The 4,377 votes of the LP independent candidate who competed as a candidate of the Alliance in constituency 64 in Sveti Nikole have also been calculated. Compared to the 268,818 votes in the first round, we can note that there were 83,000 votes more, which is something that will need further analysis.

In spite of the boycott, that is, the appeal that citizens should not vote if they intended to vote for the opposition party, the VMRO-DPMNE won 36,200 votes in the second round. In the first round, the VMRO-DPMNE got 129,100 votes.

The Democratic Party got 30,861 votes in the second round, which is a little less than one third of the votes they got in the first round (100,926). Nevertheless, these votes were not enough for the two largest opposition parties to gaining parliamentary seats.

The PDP came in second behind the Alliance for Macedonia, according to the number of votes. The nine representatives of this party received 65,991 votes in the second round, excluding the two candidates that were elected in the first round. Compared with the 76,581 votes that it gained in the first round, this represents a decrease of around 10,000 votes, presumably of citizens who decided to abstain in the second round.

The NDP will also participate in the new parliament with two members, while the PCERM [Party for Full-Emancipation of Romanies], the SDPM, the DPM, the DPT-PDA-Islamic Road, and, for the time being, seven unknown independent candidates will all have one seat each.

Article Compares 1990, 1994 Elections

AU0211194894 Skopje NOVA MAKEDONIJA in Macedonian 2 Nov 94 p 4

["Z.P." and "K.C."-initialed report: "Greater Participation of Voters in the First Elections"—all figures as published]

[FBIS Translated Text] After the second electoral round and after the final and official publication of the results of the first electoral round, it is possible to make the first comparisons with the first parliamentary elections that were held in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] four years ago. The situation has changed radically since then, not only on an overall social and political level, but also because the first round of the recent elections was held parallel with the presidential and parliamentary elections.

In 1990, there were 1,158 candidates for parliament from 18 political parties, plus 43 independent candidates, while, this time, there were 1,765 candidates; 34.3 percent more. The number of parties that participated in the recent elections (37) was also double those of four years ago, and the number of independent candidates was much greater than before; there were 283 independent candidates, which is six and a half times more than four years ago. It is worth mentioning that the electorate also increased in the past four years by 21,708 voters. At

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the elections four years ago, there were 1,339,027 registered voters, while this time there were 1,360,729.

However, the voter turnout was greater in the first round in the 1990 elections, because 1,135,728 citizens voted, which represented 84.82 percent of the electorate. The situation in the first round of this year's elections was not much more different; 1,058,130 persons voted, which is 77.76 percent. After the first electoral round four years ago, 24 candidates became members of parliament, and 11 of them secured their seats after the first electoral round was repeated. It is characteristic that all 11 additional members of parliament were candidates of the PDP [Party for Democratic Prosperity]. Three of the other 13 members of parliament were candidates of the PDP, three were of the PDP-NDP [People's Democratic Party] coalition, five of the then SKM [League of the Communists of Macedonia]-PDP (the present Social Democratic Alliance of Macedonia), and one of each of the present Liberal Party and the Socialist Party.

After the first election round on 16 October 1994, 10 candidates secured the necessary majority of votes, seven of whom were candidates of the Alliance for Macedonia, one of the Socialist Party, and two of the PDP. This figure is not final because the first election round was repeated in nine constituencies two days ago and, if everything passes normally, the number of members of parliament elected in the first round could be increased.

As for the annulment of the elections, in 1990 this happened in 32 constituencies, that is at 176 polling stations where some irregularities were registered. This time, the number of constituencies in which the elections were repeated is far smaller; it happened only in nine constituencies and 23 polling stations. The voter turnout in the second round of the 1990 elections was 80.34 percent, that is, of 829,305 registered voters in 94 constituencies, 666,2888 citizens voted. According to incomplete and still unofficial results, the turnout in the second round of this year's elections held on 30 October is lower, that is, between 50 and 60 percent.

Questions Directed at National Bank Chairman

95BA0016A Skopje SVET in Macedonian 15 Oct 94 pp 18-19

[Unattributed article: "Questions Directed at Mr. Borko Stanoevski, Macedonian National Bank Chairman"]

[FBIS Translated Text] *SVET has made several studies of various aspects of overall social and economic life in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia].*

Some of the topics to which we return frequently are those of improving commercial banks, repaying foreign exchange deposits, the work of savings institutions, the rate of exchange of the denar, the black market, and so on. In this connection, we also have repeatedly singled out the role played by the NBM [National Bank of Macedonia] as the central bank, which exerts a crucial influence in the monetary area.

Nonetheless, the answers provided by the chairman lead to a number of (non)substantiated views that a great deal more could be accomplished than has been so far. That is precisely why we looked at the questions directed at Mr. Borko Stanoevski, NBM chairman, covering all areas of economic life and all entities that, in some way and sometimes not by their own fault, have become involved in a series of dirty situations they have been unable to explain. Each question, naturally, is subject to a respective critical evaluation. Confucius, the old Chinese sage, said a long time ago that the ability to ask a real question provides 60 percent of the answer.

Still, there are questions the answers to which Mr. Borko Stanoevski alone knows. In order not to be one-sided, we have opened the pages of SVET to Mr. Stanoevski so that he may answer them, although we do not believe that he will plunge into polemics, being aware of his attitude toward anyone who does not work in his area of expertise.

That is why we ask you, our respected readers, who are more or less familiar with the problems we are about to mention, to join in this debate with your questions.

Here are the questions directed at Mr. Borko Stanoevski, chairman of the National Bank of Macedonia.

1. Why did he permit the Teteks Bank to register, when the Textile Combine in Tetovo owes money to the Foreign Trade Bank (the former Jugobanka)?

2. Why and how was the BNT [Foreign Trade Bank] registered when its entire performance so far has brought about the current situation in which it finds itself and the dissatisfaction of its employees?

3. Why does it buy from and sell foreign currency to enterprises when, according to the law, it has no right to do so, for the commercial banks alone are permitted such transactions?

4. Why does he agree to the appointment of people who are not professional bankers as directors of certain banks?

5. Why did he not freeze the accounts of the Commercial Bank, as he did in the case of the Economic Bank that, in addition to its own overall mandatory reserve, managed to acquire another 28 million denars? Is this not a disruption of the monetary system?

6. Why did the NBM purchase foreign currency on the black market, using freshly printed notes, currency solely owned by the dealers on Skopje's "Wall Street" black market?

7. Why are the foreign currency reserves of the NBM kept in less well-known world banks or their branches, rather than in first-rate world banks? (According to our

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information, some of the currency is kept in the Amro Bank in the Netherlands and in the AU Bank in London.)

8. Why does he restrict investments made by commercial banks to a one-year continuity, when the Law on the NBM clearly stipulates that permission to this effect must be given by the parliament of the Republic of Macedonia?

9. Why does he force currency exchange houses to operate in the name of and for the NBM? (In reference to brokerage!)

10. Why has he failed to resolve the dispute between the Economic and the Commercial Banks? (A number of officials of both banks have raised this question, caused by the newly established relations and their impossibility to work together.)

11. Why is the rate of exchange of the denar controlled and determined by the black market and not the NBM?

12. Why does he not promote a meeting among banks to settle the issue of the foreign exchange market?

13. It is true that we do not have monetary fluidity. Where is the cash?

14. Why are metal coins being minted when they are practically unusable and the metal, as such, is worth more than the minted coins?

15. Who supervises the NBM? Or else is the chairman of the Central Bank infallible?

Let us explain. The chairman has reported on the work of the NBM to the members of the Macedonian parliament. However, no one is supervising the day-to-day work of the bank. Let us quote also the Law on the NBM, according to which the governor is granted unlimited rights.

16. Why has he approved commercial deals based on the Zurich Agreement at prices much higher than those prevailing at the world securities market?

17. Why is he totally unwilling to consider the issue of the old foreign exchange deposits, knowing that according to the agreements for this type of savings, as chairman of the NBM, he was a member of the National Bank of Yugoslavia?

18. Why does he seek the approval of the World Reconstruction and Development Bank? Is it a question of the new chairmanship mandate?

19. Does the registration of the BNT and the Bank of Ljubljana also mean assuming their obligations? Would it not have been preferable to wait for the balance-sheet apportionment on the level of Yugoslavia? Have there been cases of assuming the payment of funds owed to the World Reconstruction and Development Bank but not owed by our state?

20. Why does the chairman of the NBM, who is mandated to maintain the currency-credit and monetary stability and the stability of the banking system, fail to submit creative solutions for the resolution of the problem of the old foreign currency savings? (For example, the obligations assumed by the NBM on behalf of the Republic of Macedonia concerning long-term foreign currency savings accounts with a proper grace period in amounts sufficient to pay interest and meet the current needs of the account holders, so that they could once again trust the banking system.) Not to mention the fact that views on refunding the total currency savings (which is being done by the Macedonian government with a view to compensating the account holders) has been practiced elsewhere in the world. It must be pointed out that in the case of such issues Mr. Borko Stanoevski, the chairman of the NBM, does not offer his support and creative thoughts regarding the dynamics of monetary rates.

Many other questions exist but we have raised only those asked by the economic entities, their managers, and the common people.

The final question directed at Mr. Stanoevski by SVET is the following: Why does the National Bank of the Republic of Macedonian have its own income and what are its origins?

Let us remind you that the National Bank of the Republic of Macedonia is not a commercial bank.

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Federal

RSK President Holds Talks With Russian Envoy

LD0211183594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1744 GMT 2 Nov 94

[FBIS Translated Text] Belgrade, 2 Nov (TANJUG)—A republic of Serb Krajina [RSK] delegation led by President Milan Martic met in Belgrade today with Aleksandr Zotov, Russian President Yeltsin's special envoy.

The RSK president's information service reports that the RSK delegation, which includes Prime Minister Borislav Mikelic and General Mile Novakovic, the president's national security adviser, briefed Zotov on the causes behind the crisis in former Croatia and the reasons which led to the war, as well as on the present state of relations between the RSK and Croatia.

RSK representatives emphasized the state leadership's position that the Croatia-Krajina conflict can only be resolved by peaceful means and through dialogue on an equal footing.

The statement on the talks reveals that the Russian president's envoy expressed great interest in the positions described to him, stressing the need to do everything to promote the peace process.

Yugoslav Army Chief Perisic Meets With Zotov

LD0211143594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1353 GMT 2 Nov 94

[FBIS Translated Text] Belgrade, 2 Nov (TANJUG)—Colonel General Momcilo Perisic, chief of the general staff of the Yugoslav Army, and his aides today received Aleksandr Zotov, President Boris Yeltsin's newly appointed special envoy for the former Yugoslavia.

During the meeting they discussed the latest military escalation in the area of former [as received] Bosnia-Herzegovina. They agreed that it is presently very significant to prevent through diplomatic means any further escalation of the confrontation, as this poses a real risk of spreading the conflagration across the Balkans with unforeseeable consequences, the General Staff Information Service says in its statement.

Supreme Defense Council Makes Appointments

LD0211195594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1838 GMT 2 Nov 94

[FBIS Translated Text] Belgrade, 2 Nov (TANJUG)—FRY [Federal Republic of Yugoslavia] President Zoran Lilic chaired a session of the Supreme Defense Council in Belgrade today.

Apart from the Supreme Defense Council members, Serbian President Slobodan Milosevic and Montenegrin President Momir Bulatovic, the session was attended by Federal Prime Minister Radoje Kontic and Colonel General Momcilo Perisic, chief of the General Staff of the Yugoslav Army.

The Supreme Defense Council examined the level of combat readiness and the financing of the Yugoslav Army and concluded that the overall situation met the demands and needs of the country's defense.

The council also examined a number of cadre issues linked with the Yugoslav Army and adopted a decision to appoint Major General Dragoljub Ojdanic chief of staff of the First Army, and Colonel Rumenko Disovic commander of the Uzice Corps—the FRY president's Military Office reported.

Jovanovic Comments on Forthcoming Zagreb Visit

LD0211182494 Belgrade TANJUG Domestic Service in Serbo-Croatian 1613 GMT 2 Nov 94

[FBIS Translated Text] Belgrade, 2 Nov (TANJUG)—FRY [Federal Republic of Yugoslavia] Foreign Minister Vladislav Jovanovic today said that the aim of his visit to Zagreb is to achieve some concrete agreements, since it is still not realistic to hold global talks [as received].

Speaking to Federal Assembly reporters in connection with his forthcoming journey to Zagreb, he specified that the only issues to be discussed would be the restoration of civilian transport, telecommunications, sports, and cultural contacts between the FRY and Croatia.

"I believe the Croatian side will realize that pragmatism is the best way to move away from the present frozen situation," assessed Jovanovic.

Asked whether Yugoslavia would give concrete proof of good will, the minister replied that there is no need to prove one's good will, "because we have been prepared all along to normalize our relations with Croatia, within the framework of which we do not include the UNPA [UN Protected Area], i.e., the republic of Serb Krajina."

"This issue must be resolved in a way envisaged by the Vance-Owen plan, through talks between Knin and Zagreb, and until this is resolved it will not be possible for us as signatories of the plan to prejudice its outcome," specified Jovanovic.

Replying to the question as to when mutual recognition of the FRY and Croatia can be expected, he said that each side has a list of its wishes, adding that Yugoslavia is keen to see speedy progress in the Knin-Zagreb talks, in accordance with the three-stage process.

"We are doing what we can to make things easier. We cannot do more than that, since it depends on both sides as to how and when an agreement will be reached and what it will entail," the minister said.

He made it clear that Croatia should first reach agreement with these citizens and only then might it expect recognition from others.

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"The fact that Croatia was recognized under the patronage of its protectors at an earlier stage by the international community is beyond our powers," Jovanovic said. He noted that the Hague Conference has advised everyone in its resolution to refrain from recognizing the former Yugoslav republics until the conference ended successfully.

Replying to a question about the possibility of an agreement in the near future between Knin and Zagreb, Jovanovic expressed support for these efforts, maintaining that this is the only way to solve the problem since a better climate for negotiations will be created in a period of time.

Asked whether these negotiations hampered the talks between the Federal Republic of Yugoslavia and Croatia, he said that these bilateral relations are separate from the relations between Knin and Zagreb. Jovanovic, however, said that a positive development of these negotiations can facilitate the process of normalization and mentioned by way of example the opening of the motorway [Zagreb-Belgrade], something that is not possible without Knin's approval.

Replying to a question on Belgrade's influence on Knin at this moment, Jovanovic said that "we have never had a decisive influence on anyone, let alone the republic of Serb Krajina, just as we had no influence on the Srpska republic, something that is evident.

"Our influence has always been significant but never decisive", he said, and added that this is the mistake of the many people who believe that the key to a solution is in Belgrade. This is simply not true.

Serbia

Prime Minister Kontic Meets With Russian Envoy

LD0211153594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1339 GMT 2 Nov 94

[FBIS Translated Text] Belgrade, 2 Nov (TANJUG)—Yugoslav Prime Minister Radoje Kontic today received Aleksandr Zotov, Russian President Boris Yeltsin's newly appointed special envoy for the area of former Yugoslavia.

In their lengthy, open, and cordial talks, the two exchanged opinions on the peace process in the area of the former Yugoslavia, the Federal Information Secretariat reports.

As regards the crisis in former Bosnia-Herzegovina, they believe that negotiations with all the sides to the conflict should continue toward finding a just solution and bringing about a lasting peace in this region.

The belief was expressed that, by totally lifting its sanctions, the international community would not only correctly validate the principled peace policy pursued by the Federal Republic of Yugoslavia, but would also contribute to the peace process and stability in this part of Europe. It was stated that there is no longer any reason to continue sanctions against Yugoslavia.

Kontic stressed the impermissible conduct of the UN Security Council's Sanctions Committee and its failure to adjust its practices to Resolution 943 on suspending some of the sanctions and speeding up the FRY's demands for meeting its humanitarian needs although the resolution went into effect as early as one month ago, the statement says.

The talks were also attended by Aleksey Nikiforov, representative of the Russian Federation on the Contact Group for Bosnia, Russian Ambassador to Belgrade Gennadiy Shikin, and Yugoslav Deputy Foreign Minister Radoslav Bulajic.

Jovanovic Receives Zotov

LD0211204794 Belgrade TANJUG Domestic Service in Serbo-Croatian 1422 GMT 2 Nov 94

[FBIS Translated Text] Belgrade, 2 Nov (TANJUG)—Federal Foreign Minister Vladislav Jovanovic today received Ambassador Aleksandr Zotov, the new special envoy of Russian President Boris Yeltsin.

The ministry stated that they exchanged views on how to advance the resolution of the Yugoslav crisis. Agreement was reached on the fact that for a just and lasting solution it is essential that there be equal respect for the rights of all involved parties, the statement says.

Ambassador Zotov confirmed that Russia will continue to involve itself in support of a peaceful and stable solution and of the international community justly evaluating the peaceful role of the Federal Republic of Yugoslavia [FRY] in the peace process.

Taking part in the talks were Gennadiy Shikin, Russian ambassador to the FRY, and Ambassador Aleksey Nikiforov, Russian representative in the contact group.

Serbian-Greek Economic Magazine Launched

LD0211201094 Belgrade TANJUG in English 1822 GMT 2 Nov 94

[FBIS Transcribed Text] Belgrade, Nov. 2 (TANJUG)—A ceremony was organized in Belgrade on Wednesday to launch the joint Serbian-Greek economic magazine "JOURNAL EXPORT."

The magazine is published in the Greek launguage by "Exportpress," Yugoslavia's oldest publisher specializing in economic publications for foreign customers.

The first issue of the magazine featured an article by President of the Yugoslav Republic of Serbia Slobodan Milosevic and an interview with Serbian Prime Minister Mirko Marjanovic.

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Marjanovic said the Yugoslav program of economic recovery, launched in mid-January, had also started to gain international support.

This is the result of Yugoslavia's success in curbing rampant inflation, stabilizing the national currency (the dinar), forcing the prices to fall and securing a slight but steady increase in wages and an average 20-percent production growth, Marjanovic said.

"It is especially noteworthy that the economic program was implemented without a positive influence of international market and without foreign credits," he said.

Marjanovic said Serbia and Greece had an economic, political and security interest to develop their relations, primarily economic, especially after an eventual lifting of the United Nations sanctions against the Federal Republic of Yugoslavia.

Kosovo

Parties Support Albanian Constitution Referendum

AU0211153494 Tirana TVSH Television Network in Albanian 1635 GMT 31 Oct 94

[FBIS Translated Text] [Announcer] The Albanian political forces in the Republic of Kosova and the large Albanian population there continue to support strongly the approval of the new constitution of Albania through a referendum. The draft text of the Constitution was supported strongly at the rallies that were organized recently by various political parties. Here is a report by Shaban Arifaj in Prishtina:

[Arifaj] The campaign in Albania to approve the first post-communist constitution of the Albanian democratic state through a referendum continues to be followed with interest in Kosova. Political parties and various associations in Kosova endorse President Berisha's initiative strongly and there is strong support among the entire Albanian populace for the referendum on 6 November, a day that will mark the unity of all the Albanian people, a day when, through their free vote, they will say yes to the Constitution—the highest judicial act of a democratic state, which Albania is.

In a public communique, the Kosova Peasants Party supported the decision of President Dr. Sali Berisha and the Parliament of the Republic of Albania to approve the Constitution through a nationwide referendum as the only possible way at this stage of the political development of Albania.

The communique states further that the approval of this fundamental law of the Albanian state, which is based on the most advanced European practices, is not a party or ideological problem, but a state, national, and civil issue.

The Peasants Party of Kosova considers those public calls for division by some political groupings and individuals, who aim to hinder the approval of the Constitution through the referendum, to be unacceptable and harmful. As can be seen from its contents, the Constitution provides a broad, multifaceted vision of Albania and all Albanians, the communique by the Peasants party of Kosova concludes.

At its recent meeting, the National Unity Party Presidency in Ferizaj actively supported the referendum as the most democratic way to approve the Constitution of the Republic of Albania and called on the Albanian people in the mother state to unhesitatingly say yes to the fundamental and highest judicial act of the democratic Albanian state.

Public Letter by Serbian Resistance Movement

AU0211212194 Belgrade NIN in Serbo-Croatian 21 Oct 94 p 12

["Letter to the Serbian Public" by the Serbian Resistance Movement; place and date not given: "Worried and Unhappy"]

[FBIS Translated Text] Esteemed gentlemen!

Concerned for our fate and the fate of Kosmet [Kosovo-Metohija], the Serbian people from Kosovo and Metohija have again been forced to address the public and all national, state, political, and other institutions of the FRY [Federal Republic of Yugoslavia], the Republic of Serbia, and the Republic of Montenegro with a demand to resolutely stand in the way to the ambitions regarding this part of the Serbian state and the Serbian people.

We are unhappy that, eight years after the uprising of the Serbian people against Albanian separatism and the state policy of Serbia and Yugoslavia of that time, we must ask for protection. We warn, for who knows what time, that the key goals of the Albanian separatists are currently being realized under the Serbian authorities. As the participants of the all-national Serbian Resistance Movement and the great Serbian uprising of the eighties, we feel obliged to openly draw attention to the intolerable situation in Kosovo and Metohija.

The current Serbian authorities, which were given a historic chance, as well as a historic obligation and responsibility, to seriously resolve one of the biggest problems of the Serbian nation, have been bypassing Kosmet for the fourth year. Sadly, this chance was not taken. The current policy has rendered the Serbian issue in Kosovo an ideological and a party issue, has divided and deceived the people, and has turned them into disposable people.

The Serbian issue in Kosovo and Metohija has became a means of winning and preserving power, while the Serbian people in Kosmet have been portrayed as a militant and stormy element, unworthy of anyone's sacrifice for their salvation. Because of such a picture, the Serbian issue in Kosovo has become a burden to the authorities and the opposition, which everybody is now avoiding.

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At one time, entrusting its fate into the hands of the new policy of Serbia, the Serbian people expected that Serbia would fulfill its obligations, which at that time inspired hope that the Serbian issue in Kosovo and Metohija would be resolved. Unfortunately, the Kosovo wound is still open.

Even though the local separatist authorities in Kosovo and Metohija have been crushed and the state of Serbia has assumed all main state and political posts in Kosmet, the Albanian separatism has not only remained unsuppressed, but has in a different way, in the presence and with tolerance of the Serbian state, even strengthened. Before the eyes of the Serbian authorities, a parallel state, the so-called Republic of Kosovo, has been formed, which has its constitution, government, laws, parliament, flag, president of the republic, media, diplomatic representatives abroad, and which communicates with international organizations and foreign countries independently of the states of Serbia and Yugoslavia. This parallel state has its political parties that work openly against the state of Serbia and Yugoslavia.

Due to ill-defined and inconsistent Serbian policy, the Albanians have, through their Mafia and para-state, come into possession of great capital, which is multiplying cumulatively in agreement with the Serbian state and the economy. All this reflects unfavorably and highly dramatically on the security of survival of the Serbian people in Kosmet. In March 1995, it will be five years since the passing of the program of Serbian colonization of Kosmet, which promised the settlement of 100,000 Serbs. Unfortunately, not only were only a negligible number settled there, but the exodus continued, while at the same time more than 25,000 new Albanians were born.

Taught by the experiences of the Serbian people in the Srpska republic and in the republic of Serbian Krajina and the threats issued to them by the superpowers, the Serbs from Kosovo and Metohija will not allow to encounter the same fate. The Serbian people do not want to be a part of "the policy of percentages." Deeply rooted on these Serbian territories, these people have the right to demand from all political and state powers in the country that they seriously consider and find a solution to the Kosmet knot. We believe that forces and mechanisms exist within the Serbian nation and the Serbian state to halt this dangerous process and not allow the Kosovo Serbs to resort to the old methods of struggle for the salvation of their own fate.

Sensing the responsibility for the future of the Serbian people in Kosovo and Metohija, all the undersigned demand:

1. That Serbia clearly states its plans for Kosovo and how it intends to settle the Serbian issue in the region;

2. That measures to halt the process of Albanization, so as not to lose Kosovo, be most urgently undertaken;

3. That nobody assumes the right to renounce Kosovo and Metohija;

4. That the parallel ethnic Albanian state, the Republic of Kosovo, be crushed;

5. That the people who are the most interested in the settlement of the Serbian issue in Kosovo, that is, the Serbs from Kosovo and Metohija, by no means be excluded from the process;

6. That mechanisms be immediately worked out and concrete measures taken to protect the Serbian people from ethnic Albanian separatism and predominance;

7. That a plan for colonization of Kosovo be adopted urgently and money for its implementation provided;

8. That Serbia at once adopts a citizenship law and settles the question of the Albanian immigrants;

9. That a debate on Kosovo and Metohija, as well as on the achievements of the Serbian policy so far be opened at the next sessions of the Assemblies of Yugoslavia, Serbia and Montenegro.

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